

REPUBLIC OF KENYA

KENYA INDUSTRIAL PROPERTY INSTITUTE

IN THE MATTER OF THE TRADE MARKS ACT AND

IN THE MATTER OF TRADE MARK APPLICATION NOS. KE/T/2009/66734 and 66735

“PATHOLOGISTS LANCET KENYA” (word and device)

IN THE NAME OF PATHOLOGISTS LANCET KENYA LTD AND OPPOSITION THERETO BY

LANCET LABS (2000) LTD AND ELSEVIER PROPERTIES SA

(Hearing held on 22 June, 13 July & 3 August 2012

Taj Habib, in person for the first opponent, Lancet Labs (2000) Ltd.

Gichachi, Gichachi & Co. for the second opponent, Elsevier Properties SA

Mwaura for the applicant, Pathologists Lancet Kenya, Ltd.

Jane Mugambi, KIPi

Before the Registrar: Dr. Henry Kibet Mutai)

RULING

INTRODUCTION

This is an opposition matter filed by the opponents, Lancet Labs (2000) Ltd. and Elsevier Properties SA , against the registration of trade mark application numbers KE/T/2009/0066734 and 0066735 PATHOLOGISTS LANCET KENYA (word and device), in the name of the applicant Pathologists Lancet Kenya Ltd.

PROCEDURAL HISTORY

On 29 October 2009, the applicant herein, Pathologists Lancet Kenya, Ltd., filed two applications for the registration of the trade marks PATHOLOGISTS LANCET KENYA (word and device), in classes 16, 41 and 44. The applications were duly examined and, by letters dated 6 February 2010, approved for advertisement. Subsequently the applications were advertised in the Industrial Property Journal of 31 March 2010.

On 21 May 2010, an application was received from Gichachi and Co. Advocates seeking an extension of time to file opposition in order to allow their client, Elsevier Properties SA, to try to reach an amicable settlement with the applicant. An extension of time to 29 August 2010 was consequently granted. Meanwhile, on 31 May 2010 an application for extension of time was also filed by Lancet Laboratories (2000) Ltd. seeking an additional 30 days to enable them to seek legal advice on their possible opposition to the applications. An extension of time to 30 June 2010 was likewise granted.

Thereafter, on 30 June 2010, Lancet Labs (2000) Ltd filed notices of opposition dated 29 June 2010 against the registration of both trade marks. The grounds on which the opposition was based were, *inter alia*, that the first opponent had been legally incorporated as a company under the name Lancet Laboratories (Two Thousand) Ltd in January 2000, that the registration of Pathologists Lancet Kenya Ltd in 2009 had caused confusion to many and that due to the similarity of the names and trade, members of the public were unable to distinguish between the two. Attached to the notice were a number of exhibits.

On 26 August 2010, the applicant filed its counter-statement regarding the opposition by Lancet Labs (2000). In its counter-statement supporting its application, the applicant stated, *inter alia*, that it had been incorporated as a limited liability company in 2009, that it was a subsidiary of a South African company by the name Lancet Laboratories, that its parent company had been in existence since the 1950s, and that before it applied for registration of the trade mark it had sought preliminary advice on the mark and been informed that it was available for registration. Further, the applicant alleged that the objector seemed to have copied its name from the applicant's South African parent company, that around 1999/2000 a director of the objector had approached the South African company with a request to become its subsidiary, which request had been rejected. The applicant also stated that the matter was regulated by the Trade Marks Act and that because the objector did not have a registered trade mark it could not lawfully oppose the application. Further, the applicant's mark was visually and conceptually different from the get up used by the objector thus no confusion could arise. For these reasons, the applicant prayed that the opposition be dismissed with costs.

The counter-statement was forwarded to the first opponent by a letter dated 13 September

2010 in which it was requested to file its statutory declaration within 42 days of receipt of the letter.

Meanwhile, on 26 August 2010, Elsevier Properties SA, through its agents, Gichachi and Co. Advocates, filed its Notice of Opposition to the two applications. The opposition was based on the grounds that it was the owner of the trade mark THE LANCET which was used in relation to its well known medical journal “The Lancet”, that its trade mark had been devised and adopted many years before the applications in question were filed, and that by virtue of extensive use and registration globally its mark had become extremely well known, including in Kenya, thus it was deserving of protection under section 15A.

Further, the second opponent claimed that the goods specified in the applications were the same as those used in connection with its mark, that the dominant word in the applications was LANCET which was identical to its mark and thus likely to deceive and/or cause confusion. For those reasons, it asserted that the applicant was not entitled to apply for the mark under section 20(1) of the Trade Marks Act and thus should be refused registration of the marks.

On 1 November 2010, the applicant filed its counter-statement to the opposition filed by the second opponent. In the statement the applicant stated, *inter alia*, that it had been incorporated as a limited liability company in Kenya in 2009, that it was a subsidiary of a South African company, Lancet Laboratories, that its parent company had had a long usage of the trade marks for over 50 years, and that before applying for the marks it had sought preliminary advice on their availability and been advised that they were available. Further, the applicant stated that its main objective was to provide laboratory and pathology services in Kenya and had no intention to venture into publishing a medical journal.

The applicant also stated that it produced instructional materials in the form of newsletters for its customers, as well as business cards, office stationery and other such products to create visibility and that protection for all these was only available under class 16. Further, it stated that the marks were visually and conceptually different and the trade channels of the applicant were different from those of the objector.

Lastly, the applicant asserted that since the objector had not produced evidence of having registered its mark in Kenya, it could not be afforded protection under either sections 5 or 15 of the Trade Marks Act. Moreover, it claimed that its mark was protected as a well

known mark since its parent company had been in business for a reasonably long period of time and used the mark without opposition from the objector. For those reasons, the applicant prayed that the opposition be refused with costs.

On 25 October 2010, the first opponent filed its statutory declaration sworn on its behalf by its Managing Director, Taj Habib. In the declaration, Mr. Habib averred, *inter alia*, that he had been using the name Lancet since 1984, first as a registered business name “Lancet Medical Laboratories”, then in 1987 for a limited liability company “Lancet Laboratories Ltd” and since 2000, for the first opponent herein “Lancet Laboratories (Two Thousand) Ltd”. He stated that both the first opponent and the applicant were in the same business, that is, doing laboratory analysis, and that in its activities the applicant highlighted the name “Lancet” thus creating major confusion. The deponent further denied ever having approached Lancet Laboratories South Africa with a view to becoming their subsidiary as alleged by the applicant.

Attached to the first opponent's statutory declaration were ten exhibits comprising:

Exhibit 1 - Business Registration Certificate for Lancet Medical Laboratories dated 5 June 1984;

Exhibit 2 - Certificate of Incorporation of Lancet Laboratories Limited dated 26 November 1987;

Exhibit 3 - Certificate of Incorporation of Lancet Laboratories (Two Thousand) Limited dated 14 January 2000;

Exhibit 4 - Eight copies of various laboratory tests;

Exhibit 5 - a copy of a photo of a building;

Exhibit 6 - two copies of waybills addressed to Lancet Kenya Ltd;

Exhibit 7 - a copy of an invoice dated 30 September 2010 to Lancet Labs 2000 Ltd from G4S;

Exhibit 8 - a copy of an article entitled 'Development comes with health challenges for Africa';

Exhibit 9 - a copy of a Space Order from Yellow Pages Kenya Ltd to Lancet Labs (2000) Ltd; and

Exhibit 10 - a copy of a Medical Laboratory Report for Pathologists Lancet Kenya Limited.

On 26 January 2011, the applicant filed its statutory declaration in response to the first

opponent's statutory declaration. In the declaration, sworn on its behalf by its Managing Director, Ahmed Yakub Kalebi, the applicant averred, *inter alia*, that it was a limited liability company having been incorporated in 2009, that it was a subsidiary of a South African company by the name Lancet Laboratories that had been in existence since the 1950s, that the parent company had a long usage of the trade mark, that the word 'Lancet' represented a linkage with the parent company, that it had sought preliminary advice on the trade mark before applying for its registration and had been informed that it was available, and that the word 'Lancet' was generic and common in the medical world. The deponent further stated that the first opponent did not have a registered trade mark and thus could not be afforded protection under the Trade Marks Act as it had no *locus standi* to institute opposition proceedings, that the marks in question were visually and conceptually distinct and able to distinguish the applicant in the market and that no confusion could reasonably be occasioned to the public by registration of the mark. For these reasons, the applicant averred that the opposition had no basis and should be dismissed.

Attached to the applicant's statutory declaration were a number of exhibits comprising:
Exhibit PLK1 - Certificate of Incorporation for Pathologists Lancet Kenya Limited dated 6 February 2009;

Exhibit PLK2 - South African Certificate of change of name of company from E-Why Trading No. 22 (Proprietary) Ltd to Lancet Service Company (Proprietary) Limited dated 12 February 1992 and a Certificate of Incorporation of E-Why Trading No. 22 (Proprietary) Limited dated 25 October 1991;

Exhibit PLK3 - a document showing copies of various business cards;

Exhibit PLK4 - a preliminary advice letter dated 27 August 2009 on the trade mark LANCET KENYA in class 44;

Exhibit PLK5 - copies of various logos/trade marks incorporating the word Lancet; and

Exhibit PLK6 - a copy of a business card for Dr. Ahmed Yakub Kalebi.

On 2 February 2011, the second opponent filed its statutory declaration in support of its opposition to the registration of the marks. The declaration (titled Founding Affidavit) sworn by the President of the Board of the opponent, Jacques Billy, averred, *inter alia*, that the opponent had no objection to the registration of the applications in class 44 in respect

of “clinical laboratory services”. It went on to give a background of “The Lancet”, being the journal currently published by the second opponent, which had been in existence since 5 October 1823 and which the second opponent had acquired in 1991. The statement averred that in addition to the original Lancet, three additional specialty review journals bearing the name had been published by Elsevier since 2000, 2001 and 2002 respectively. The deponent averred that the trade mark THE LANCET had been registered in numerous countries, mainly in classes 9, 16, 41 and 44, and that the mark had been transferred to the opponent in all countries where it was registered with effect from 17 December 1998. Regarding distribution of the Journal, the deponent stated that though the journal was not sold through retail stores, it could be ordered online from its website and that the primary customers in Kenya were doctors, pharmaceutical companies, hospitals, educational institutions and charitable institutions having the object of promoting healthcare. The second opponent further averred that though the word ‘Lancet’ may be common as applied to medical tools, it had no significance in relation to publishing and printed matter and the trade mark THE LANCET was therefore distinctive and novel, that its mark was so well known that use of the opposed trade mark would result in confusion among the public regarding the origin of the goods and services of the applicant. Moreover, it averred that the applicant was wrong in claiming that the Trade Marks Act only protected registered trade marks and in referring to section 5 of the Act. He concluded by averring that by virtue of the international repute of the journal ‘The Lancet’ and the use of the trade mark THE LANCET in Kenya prior to the applications, the applications should be refused in classes 16 and 41 as well as in class 44 for all services other than “clinical laboratory services”. Attached to the declaration were a number of exhibits.

On 28 November 2011, the applicant filed a Notice of Preliminary objection to the opposition by Elsevier Properties stating that it would be seeking dismissal of the opposition on the ground that Elsevier had no *locus standi* to object to the proposed registrations as it had no registered trade mark regarding the matters in issue.

Hearing of the matter took place on 16th May 2012. On that date, counsel for both the applicant and second opponent made oral submissions, after which I dismissed the

preliminary objection and requested the parties to take a date for hearing of the substantive opposition.

The matter was thereafter fixed for hearing on 22 June 2012.

At the start of the hearing, counsel for the second opponent started by stating that there were a number of certificates that he wanted to put in. He asserted that he had shown them to counsel for the applicant who no objection. The certificates in question were from India, Canada, Malaysia, New Zealand, UK, USA and WIPO. He further stated that these certificates were being put in in answer to the objection that the trade mark THE LANCET had not been registered.

Counsel for the applicant responded that he had just been shown the certificates but that he had no objection. His only challenge related to the mode of production. Otherwise he had no objection.

In response, counsel for the second opponent stated that the documents had been mentioned and were thus not completely new. Documents attached were normally copies which he was applying to be allowed to put in as he was going to rely on them.

I allowed the application on condition that the copies were to be submitted to counsel for the applicant and also to the Registry by 26 June 2012.

FIRST OPPONENT'S SUBMISSIONS

Mr. Taj Habib, the Managing Director of the first opponent who appeared on its behalf, started by stating that he was not a lawyer but a lab technician. He was concerned that Pathologists was the main name and Lancet was the second name of the applicant. He submitted that here was a company that was using its second name because it had been unable to register Lancet because it had been told that there was already such a company. He submitted that it had thus registered Pathologists Lancet Kenya Ltd. but, he continued, in all its correspondences it called itself Lancet and if you called it, the answer was "Lancet".

He continued that in all whatever Pathologists Lancet had done, it had tried as far as possible to focus on the name Lancet Kenya Ltd. He submitted that six months ago, when they took photos of the applicant's offices on Ngong Rd, it had been written Lancet Kenya Ltd. but that today if you went there, the offices had been renamed Pathologists Lancet

Kenya Ltd. He also referred to an interview of the applicant's Managing Director in the Daily Nation of 21 January 2010, where Dr A. Kalebi described his company as Lancet Kenya Ltd.

The first opponent stated further that the courier services which they both shared, G4S, had been billing it for parcels sent by Lancet Kenya Ltd. He claimed that every day in the last 2 years, he had received calls on average of 3 to 4 days and that patients had been coming to its lab in Ngara wanting tests done by Lancet Kenya Ltd.

The first opponent also referred to an order for an advertisement to be carried in the Yellow Pages. He noted that the printing for the advertisement was confused as it was not clear whether it was for Lancet Kenya in Ngara or Lancet in Ngong. He continued that the preview for the advert had come to them with a bill for KSh. 33,000/= for an advert they had never ordered and he was totally confused as to which company he was dealing with. The Managing Director stated that the first opponent had two branches, one of which was a clinical laboratory and the other branch supplied equipment for laboratories. In the advertisement preview, Pathologists Lancet Kenya Ltd was shown as selling microscopes, chemistry kits and other equipment and that it was based in Ngara.

He submitted that his concern at the moment was that with the amount of stress caused by Pathologists Lancet Kenya Ltd dropping its first name and concentrating on its second name, this had created havoc for the first opponent. Registering the second name of the company as a trade mark was going to create ever more confusion. In his view, registering Pathologists Lancet Kenya then dropping one name and telling the public that its name was Lancet Kenya was not fair.

He submitted that if you looked at their lab coats, they were marked Lancet Kenya.

Pathologists was not there. DHL delivered the applicant's goods to the first opponent who then had to check whether the goods were the applicant's or the first opponent's because the applicant had told its suppliers that it was called Lancet Kenya Ltd which was not true. Finally, Mr. Habib submitted that the first opponent was registered as Lancet Medical Laboratories in 25 June 1984 and he had shown a certificate to that effect. He did not know there was a company in South Africa by that name - Certificate number 103263. He was innocent of the fact that there was such a company there.

In conclusion, he stated that those were the reasons why the first opponent was opposing

registration of the applicant's mark.

SECOND OPPONENT'S SUBMISSIONS

Counsel for the second opponent started by stating that the second opponent opposed the registration of trade mark application numbers 66734 and 66735, both called PATHOLOGISTS LANCET KENYA and device. Both the applications had been applied in classes 16, 41 and 44. He stated that the second opponent had no problem with the application in class 44, but that its objection was with regard to classes 16 and 41.

He stated that he would rely on the Notice of Opposition filed on 26 August 2010 and the statutory declaration, which was headed as founding affidavit, of Jacques Billy, the President of the opponent declared on 25 January 2011 and filed on 8 February 2011.

Counsel submitted that the grounds of objection in summary were as follows:

- I) the opponent Elsevier was the owner of the trade mark THE LANCET which was used in respect of its worldwide known medical journal called 'The Lancet';
- II) the opponent's mark had been in use all over the world including Kenya for many years before the offending application was filed on 21 October 2009;
- III) due to the long use of the opponent's mark, it had become extremely well known and distinctive and it therefore deserved protection under section 15A of the Trade Marks Act;
- IV) the goods in respect of which the mark of the applicant were intended to be used were the same and or of the same description as those for which opponent's mark was used;
- V) the mark PATHOLOGISTS LANCET KENYA was similar to the opponent's mark THE LANCET because the dominant feature in that mark or what can be called a mark was the word LANCET.

He stated that he would rely on those 5 grounds, which he would expound on.

Counsel submitted that 'The Lancet' was a world renowned scientific peer-reviewed journal that had been published continuously since 5 October 1823 in England. It was founded nearly 200 years ago by a surgeon called Thomas Wakely who had a wish to inform, reform and entertain and this was a journal which had the world's longest continuity or had been

continuously published as a journal since 1823 to date. It had been sold since then under the trade mark THE LANCET.

The second opponent, Elsevier Properties SA, was a global business and world leading publisher of scientific, technical and medical journals. It produced materials and publications in areas of or in partnership with science communities throughout the world. It had over 7,000 employees in 24 countries and published over 2,000 journals and nearly 20,000 books.

Its scientific and medical publications served more than 30 million scientists, students in health and information professions worldwide. This information could be found in the opponent's website - www.elsevier.com. He stated that they had exhibited the website as annexure JB2 in the statutory declaration of Jacques Billy.

Counsel continued that the company acquired 'The Lancet' journal in 1991. The Journal had become its flagship journal in the health sciences. In annexure JB2, 'The Lancet' could be found as the first flagship.

Annexure JB3 was from the journal's website and gave the history of the journal itself and in its history, they said that 'The Lancet' first appeared in October 1823. They had since come up with three specialty journals in the fields of oncology, neurology and infectious diseases as they entered the 21st century.

Annexure JB4 showed the front covers and contents of some issues.

Counsel submitted that in 1996, 'The Lancet' became the world's first medical journal to offer full text online access to medical articles. Usage of the website grew dramatically and downloads surpassed 2.4 million in 2003. On 19 October 2004, the number of registered users of the website surpassed 1 million and on 31 December 2008, the users were 1,892,398. He went on that obviously in 2012 there would be more because the trend and growth of the journal was upwards.

In addition to the original journal, three more journals were introduced in 2000, 2001 and 2002. These were the Lancet Oncology (2000) - monthly publishing; Lancet Infectious Diseases (2001), also published monthly; and Lancet Neurology (2002), also published monthly not to mention the original which is published weekly. This showed the growth of the journals owned by the opponent using the trade mark 'The Lancet' had been tremendous since that year to date.

Counsel referred to the Citation Reports, a journal published by M/s Thomson Scientific, and stated that in that journal 'The Lancet' was in 2008 rated as having an impact of 28.409, in the category of medicine, general and internal, which caused the journal to be ranked as Number 3 in the general medical category after the New England Journal of Medicine and the American Medical Association Journal. It was the third best journal of medical health all over the world. He noted that an impact factor was explained in paragraph 12 of the JB statutory declaration.

Counsel further submitted that as per paragraph 6 of the statutory declaration, 'The Lancet' had been highly consistently rated from 2003 - 2008. Looking at the ratings, it showed that 'The Lancet' was a well known journal widely read in the medical field. It was known as 'The Lancet' and it was marketed, sold and distributed under the trade mark THE LANCET. To support this, counsel referred to annexures JB5, JB6, JB7 and JB8.

With regard to the actual registration of THE LANCET as a trade mark, counsel stated that as at 31 December 2010, THE LANCET trade mark had been registered and applied for registration in over 45 countries in the world. As at that date, the mark had 72 fully registered registrations and 25 pending applications in these 45 countries.

These registrations were detailed in annexure JB9 which gave a list of the marks registered and the ones pending registration. At this juncture, counsel put in the certificates of registration relating to India, Canada, Malaysia, New Zealand, South Africa, United Kingdom and the United States of America. All these countries were mentioned in the list annexed to the Jacques Billy statutory declaration. Though most dated several years back, all these trade marks were transferred to the opponent on 17 December 1998 and any other application or registration thereafter was in the name of Elsevier Properties SA. All these marks, as shown in the table in JB9 were in classes 9, 16, 41 and 44.

Here, counsel stressed that for purposes of this application, the second opponent was interested in classes 16 and 41. He stated that the trade mark THE LANCET, just like the journal itself, was first used on goods in class 16, namely, periodical publications, printed matter, magazines and journals. For the services in class 41, the mark was used since 1996 when the website www.thelancet.com was launched.

Accordingly, he submitted, the opponent had been in use of the mark THE LANCET for many years before the applicant attempted to register the trade mark in 2009 for goods in class

16 and services in class 41. This, given the use and popularity of the trade mark THE LANCET and allied goods and services, had made the mark to become synonymous with the opponent company, in his submission, and any use of this mark in the field or the business of publication would definitely lead to confusion.

Counsel stated that though the second opponent knew that the applicant had indicated in its statutory declaration that it would not use its mark PATHOLOGISTS LANCET KENYA and device for publications, even after correspondence between the two parties to avoid this opposition, the applicant had adamantly refused to stop its application under class 16 and 41. Looking at paragraph 16, counsel asked, why insist on registering its mark in class 16? He noted that the applicant had tried to answer this question in paragraph 18 by stating that when companies printed their own business cards, newsletters and promotional material for their products they were not doing this as a business. However, counsel submitted that there was no necessity for a company to register its logo in class 16 if it didn't have any intention to trade in goods falling under class 16.

The second opponent had demonstrated that its journal was primarily on the health industry. It reported on health matters. Similarly, the applicant had admitted in its statutory declaration that its primary nature of business was provision of laboratory and clinical services which were in the field of health. Thus, if it came up with a journal, periodical or publication in line with what they did or were known to do and carrying the word LANCET, definitely confusion must occur.

For those people who had seen the publication 'The Lancet' and have associated 'The Lancet' with the journal of the second opponent, they would ask, did it come from the same source? This was the reason why the second opponent was saying that if the mark was allowed to proceed under class 41, definitely there would be confusion.

He continued that indeed the first opponent had given a history of some confusion simply because the word 'Lancet' had been used. From the first opponent it was clear that the applicant was very interested in the word 'Lancet'. As a result, he argued, they did not have to presume that confusion would occur which was the general test since once you showed likelihood, that was enough. The first opponent had demonstrated that confusion had occurred because they were in the same field. Similarly, if the applicant went into the world of publication and used the word LANCET, that confusion would occur.

Counsel referred to paragraph 9 of the applicant's statutory declaration which explained how the applicant had come up with the trade mark. He stated that 'Pathologist' was descriptive as far as the business they were undertaking was concerned. If you looked at the three words, the only one which could be a trade mark was the word Lancet which was the mark owned and established by the second opponent. If it was going to be used by the applicant in classes 16 and 41, definitely there would be confusion.

Turning to 'Lancet', as far as applicant was concerned, they described it as an instrument. However, it was still a descriptive mark but when the Lancet was used for publications there was no direct reference between a lancet and books, publications, or journals so that mark was unique and distinctive when used in classes 16 and 41 as it had been used by the opponent. The use by the applicant in their laboratory services or pathology could not be equated or used to claim ownership as far as goods in class 16 and 41 were concerned.

Counsel for the second opponent admitted that The LANCET trade mark was not registered by the second opponent in Kenya but the question, in his view, was whether it was known in Kenya and, if known, was it well-known? Paragraphs 18 - 21 of the Jacques Billy statutory declaration answered this question and he submitted that in Kenya, the customers of the LANCET were primarily medical doctors, pharmacies, hospitals, educational institutions, Nairobi and Moi University and the charitable foundations like the Wellcome Trust and the Rockefeller Foundation. The website was accessible in Kenya and customers who wanted to purchase 'The Lancet' could order through the website. There was a price list for subscription - see annexure JB 10.

Counsel submitted that it had not been possible due to the international nature of the publication and their customer base to establish when goods bearing the trade mark were first sold. However, services bearing the trade mark had been available since 1996 when the LANCET website was established.

Counsel noted that they had shown at pages 10 - 11 of the statutory declaration the number of paying subscribers for the print journal and also the electronic version for 2009 and 2010. All these subscribers were people who had been aware of the journal. From those registered paying subscribers the service was provided to other users. Still on the popularity of the journal, counsel submitted that investigations had been carried out and they showed that the journal had been quoted in the Daily Nation and the Business Daily.

This went to show that it was not only known in the medical journal alone but the mark had gone on to be publicised in the daily newspapers read by everybody in the country. He stated that there had been 38 articles in the Daily Nation quoting 'The Lancet' from 2004 - 2009 and 2 articles in the Business Daily in 2009. He submitted that due to this notoriety, the mark qualified to be protected under the provisions of section 15A, Trade Marks Act. He reiterated his submission that the offending trade mark PATHOLOGISTS LANCET KENYA contained an essential part of the opponent's well-known mark. Indeed the whole mark of the opponent, THE LANCET was incorporated in the applicant's mark. Under the provisions of section 15A(4), this mark by the applicant was likely to impair, interfere and take unfair advantage of the opponent's trade mark, THE LANCET if it was allowed to be registered in classes 16 and 41. It should therefore be refused registration in line with section 15A(4). Counsel also referred to the World Intellectual Property Organization's guidelines on evaluating whether a mark was well-known. These included:

- I) the degree of knowledge or recognition of the mark in the relevant sector of the public;
- II) the duration and extent of the geographical area;
- III) the duration and extent of promotion;
- IV) the duration and geographical area of any registration;
- V) the record of successful enforcement of rights; and
- VI) the value associated to the trade mark.

If these guidelines were followed, counsel submitted, the trade mark THE LANCET would pass the test as a well known trade mark.

On the first guideline, he submitted that THE LANCET had an extremely high degree of recognition in the health publication sector. This had been demonstrated in paragraphs 12 and 13 of the statutory declaration of Jacques Billy.

Regarding the second guideline, he submitted that the mark dated back to 1823 and it was used almost all over the world. It had been known and used in Kenya for many years and at least since 1996 as opposed to the application made the other day.

The mark had been promoted and advertised extensively as shown in paragraphs 5 - 10 of the Jacques Billy statutory declaration.

On the fourth guideline, geographical registration, it had been registered in over 77

countries of the world as shown in paragraphs 16 and 17 of the statutory declaration. Regarding the fifth guideline, he submitted that although there was no evidence of case law involving the trade mark, he wished to rely on the recognition of the mark in the citations reports where the journal had been reported as number 1, 2, etc. The publishers of the report were authoritative and thus it fell under being a well-known mark. Lastly, on the value, he stated that they had shown the price list and looking at the price list, definitely the journal was not cheap. The evidence of its sales all over the world showed how lucrative the sales were and therefore the value could not be underrated. Counsel also referred to the definition of a well-known mark in *Black's Law Dictionary* and submitted that THE LANCET was that kind of a trade mark as far as the field of health publications was concerned. Lastly, on the issue of well known marks, counsel submitted that there was also an obligation under the Paris Convention to protect a well-known mark whether it was registered or not. This was under Article 6bis, Paris Convention and in this regard he referred to the WIPO Intellectual Property Handbook, page 251, paragraph 582. Based on these arguments, it was his submission that THE LANCET qualified as a well-known mark in Kenya and should be protected under section 15A, Trade Marks Act.

Counsel then made submissions regarding the likelihood of confusion. In this regard he started by referring to section 14, Trade Marks Act. He submitted that by virtue of section 14, the applicant's trade mark should not be registered because it was so similar to the well-known trade mark of the opponent and it would definitely cause confusion or be likely to deceive.

Counsel submitted that the two marks were similar or confusingly similar. The applicant's mark consisted of the words PATHOLOGISTS LANCET KENYA and the device of a lancet while the opponent's mark was THE LANCET. If the two were taken side by side, he submitted that you would find that the whole of the opponent's mark was incorporated in the applicant's mark.

He continued that the distinct feature in the applicant's mark was the word LANCET if you took into consideration the fact that Pathologists was not a mark and Kenya was the name of our country. Pathologists was descriptive and Kenya was geographical. They could thus

not be said to be trade marks so what was left was LANCET and the device. Essentially, in his view, the whole of the opponent's mark was inside the applicant's mark. If the two marks were to be used in the field of publication i.e. Class 16 and 41, there would be confusion.

Counsel referred to submissions by the first opponent that the applicant used Lancet Kenya or called itself Lancet Kenya out there. It did not use the word Pathologists. He submitted that the insistence of the applicant in keeping its application under classes 16 and 41 although in its statutory declaration it was saying that it would not venture into publishing books was hypocritical and was calculated to eat into the good reputation that had already been established in the field of publications.

Counsel submitted that there were rules of comparison to be used in determining whether a mark was likely to cause confusion or likely to deceive. Here he referred to *Kerly's Law of Trade Marks* at page 438 and specifically page 439, where the author quoted Parker, J in *The Pianotist*.

He submitted that if you took the mark of the applicant and the opponent, both were the same words, same sounds. The goods were class 16 though in the statutory declaration of the applicant it said that it wanted to use the marks purely for business cards and documents for internal consumption and not for commercial use. He submitted that for that kind of use one did not need to register a trade mark because a mark must show some connection with goods in a commercial enterprise.

Counsel further submitted that once the marks were registered there would be no one to control the applicant from venturing into services of class 41.

Referring again to Parker, J, he submitted that the goods were the same, as was the nature and kind of customer who would buy the goods. He submitted that even though the common customers of the opponent were medical practitioners, higher institutions of learning, and hospitals and one could say that this was a class of consumers who were highly educated and not likely to be deceived, anyone going through the website looking for services in class 41 and finding a publication under LANCET and device of a lancet and already knowing of a publication called LANCET, the question would be asked, did this come from the opponent? That, by itself, in his view constituted a likelihood of confusion.

Further, those who would be reading the journals would not have a chance to view the

marks side by side as the customer would be confronted by only one publication bearing the mark LANCET.

Counsel also referred to the doctrine of imperfect recollection and in this connection referred to the book by Webster and Page *South African Law of Trade Marks* at paragraph 7.7. He noted that although the journal would go to sophisticated customers, the doctrine could still apply. Referring to paragraph 7.8, they had discussed what they call the general impression. Looking at the applicant's mark, counsel argued that if you looked at the application, the impression left was the word LANCET. The opponent though not registered had used the mark since the 1800s, and it being a well-known mark it enjoyed protection under the Act and the Paris Convention. He submitted that the Registrar was bound to refuse the application because the general impression given was the LANCET.

He submitted that this concept was the same as the dominant feature. The dominant feature was the LANCET. Here he referred to paragraphs 7.10 and 7.12 of the South African text. The whole of the opponent's mark was comprised in the applicant's mark and the idea left when one looked at the applicant's mark was the LANCET. He submitted that applying all those standards, if the applicant's marks were to be registered, definitely there would be confusion.

Lastly, counsel posed the question if the applicant had been in the business of pathology and lab services and that was the field it had made a niche for itself, why would it be interested in goods in class 16 all of a sudden?

The answer, in his view, was that in all likelihood it was going to venture into goods in class 16 and services in class 41 and if that happened there would be confusion over the marks. He noted that in paragraph 9 of the applicant's statutory declaration by Ahmed Kalebi, the applicant had tried to give an analogy of its mark and said that it had used three words. It claimed that Pathologists was chosen because that was the core business, so, in counsel's view, it was not something they came up with, it was what they did. It also said that the word Lancet represented the link with the parent company and the idea of dissecting the human body. Once again, it was a word describing the services. Lastly, the word Kenya was the geographical name of its base. Taken as a whole, this was a descriptive mark.

Although it had been used for quite some time, counsel submitted that it could not claim any distinctiveness. This was as opposed to the opponent's mark that was THE LANCET.

The word LANCET in publications had no relationship with the goods and services offered under that mark.

Counsel argued that the second opponent's mark was a distinct mark in the field of publication and where a mark was distinctive and had a long use, any other similar mark would be likely to be confused with it.

Here he referred to *Sabel v Puma*, found in the David Bainbridge text at page 634. He stated that the distinctive and dominant components in the two marks was the LANCET. If the mark was allowed to go into the Register, there would definitely be confusion between the two.

In conclusion, counsel submitted that the second opponent's was a well-known trade mark, that it had been in use globally since 1823 and if the application was allowed to go through, there would be confusion. He thus urged refusal of registration by the applicant and award of costs to the second applicant.

APPLICANT'S SUBMISSIONS

Counsel for the applicant began by noting that on 29 October 2009, the applicant applied for registration of two marks, 0066734 and 0066735, PATHOLOGISTS LANCET KENYA with a device in classes 16, 41 and 44. The applicant disclaimed the word Kenya and those two marks were the ones objected to by the two opponents.

He submitted that registration and protection of trade marks was not equitable, but that it was statutory and registration had to be done in accordance with the Trade Marks Act. Any party who filed an objection was obliged to satisfy the requirements of the Act for that objection to succeed.

He submitted that the applicant would rely on the counter-statements and statutory declarations sworn by Ahmed Yakub Kalebi, its Managing Director, in responding to the opposition.

He stated that the applicant, Pathologists Lancet Kenya Ltd. was a limited liability company incorporated on 6 February 2009 under the Companies Act. The certificate was marked PLK1A on statutory declaration for the second opponent and a copy of the memorandum and articles was marked PLK10 in the same statutory declaration. The applicant was a subsidiary of a South African company called Lancet Laboratories which held 800 shares in

the applicant and this was borne out in the memorandum and articles. It was part of an internationally acclaimed group of companies called Lancet Laboratories Group which operated in over 10 countries. Some of those countries were Ghana, Uganda, Zambia, Namibia, Mozambique, Zimbabwe, South Africa, Swaziland and Botswana. In all these countries, the name Lancet Laboratories was used.

He submitted that the Lancet Laboratories Group had had a long usage of the trade marks applied for and had used the trade marks consistently since the 1950s to distinguish the group and its services. The marks applied for were consistent with the marks used by other member companies of the Group. Here he referred to PLK 6A, B, C, D and E which showed sample business cards showing similarity with the mark applied for. He noted that all of them had a serpent with a lance and the name Lancet Laboratories or Lancet with the country name. The marks were consistent with the ones being challenged in this matter. Counsel continued that in paragraph 4 of the counter-statement filed in both objections, the applicant had stated that it had injected over 250 million shillings into the Kenyan economy which had enabled it to create many jobs and serve over 30 hospitals and clinics as a referral laboratory.

He stated that the applicant's international group had a large presence in over ten countries and had gained a good reputation in its field of clinical laboratory services and it was therefore entitled to the protection of its goodwill accumulated over time. Further, the applicant had conducted itself in Kenya in the expectation that there was freedom of doing business and fair competition and it reserved the right to do business in such manner including advertising, creating visibility and or publicising its business through various media including but not limited to printed matter.

He submitted that the applicant also had the right to seek protection of its business interests under the law including the protection of its trade mark. He stated that it was common office practice for companies all over the world to print business cards, newsletters, letter heads, office stationery, promotional materials and such products to create visibility. For this reason, the applicant produced instructional materials in the form of clinical guidelines and newsletters (see PLK4 and 5A in the statutory declaration) and these were done as a value added service to its customers and to educate members of the public on the developments in the pathology and laboratory fields.

He stated that this was why the applicant had applied to register the trade marks in class 16 for stationery and printed material, in class 41 for providing training and any corporate social responsibility and in class 44 for clinical laboratory and any related services.

He argued that the applicant was well known in Kenya and that it had been featured in local media as shown in PLK 5B, 5C and 5D in the statutory declaration to the Elsevier opposition.

Counsel submitted that the applicant's trade mark used three words in addition to the device. The word PATHOLOGISTS was chosen because it was the core business of the applicant, the word LANCET because it represented the link with the parent group and the international group and also the idea of dissecting the human body for pathology purposes. The word KENYA was chosen to illustrate the location of the business in relation to the international group.

Referring to PLK9a, which was the representation of how the marks looked, he noted that the mark had a getup of a serpent on the left side, a lance cutting through from top down, there was blue and green on the device, and the words Pathologists, Lancet and Kenya were in blue on a white background. In comparison with the second opponent's mark which was just the word LANCET, he argued that there would be no confusion between the two marks.

Counsel submitted that according to the New Oxford Dictionary of English, a lancet was a small, broad two-edged surgical knife or blade with a sharp point - see PLK9a. He argued that the word 'Lancet' was a generic term which was neither unique nor special. It was a common word in the medical field since a lancet was a medical tool used to dissect the human body for various purposes including pathology. Referring to Annex PLK 8, he noted that Lancet was featured in many products from airlines to data solutions, laboratory work and many others.

With regard to the opposition by Lancet Labs (2000), counsel noted that from the documents filed by the first opponent, it had started business in June 1984 when it was called Lancet Laboratories. He submitted that the Lancet Laboratory Group, on the other hand, had been in existence for over 50 years, well before the first applicant set up business. He argued that the first opponent seemed to have copied its name from the

applicant's South African parent company, Lancet Laboratories, which had been in operation for over 50 years and this fact was well known to the first opponent. In paragraph 12 of the counter-statement, the applicant had stated that a director of the first opponent approached Lancet Laboratories S A between 1999 and 2000 with a request that his Kenyan business becomes a subsidiary of Lancet Laboratories SA. This request was not accepted and immediately thereafter the said director set up Lancet Laboratories 2000.

He argued that the first opponent's certificate of incorporation was dated 14 January 2000, that this was with the purpose of competing with Lancet Laboratories 2000 and as such the first opponent's objection could not be in good faith. He submitted that this contention had not been rebutted and no statutory declaration had been filed to challenge it. The applicant would therefore ask the Registrar to consider that it was not disputed.

Further, he submitted that the applicant's name was Pathologists Lancet Kenya Ltd. while the first opponent was Lancet Laboratories (2000) Ltd. Those two names were not the same. Moreover, counsel argued that the first opponent did not have a registered trade mark and therefore had no *locus standi* to file the objection. In support of this contention, he referred to section 5, Trade Marks Act. There had also been no claim that the applicant was passing off any goods or services. As an illustration, he averred that the get up of the first opponent in the statutory declaration of 25 October 2010 was completely different from the applicant's mark.

Counsel further submitted that the notice of opposition had not specified the grounds as specified by rule 47 which was couched in mandatory terms. Therefore he argued that the notice of opposition should be ruled invalid since the documents attached could not constitute grounds as required by rule 47.

Counsel also noted that in its statutory declaration and notice of opposition, the first opponent complained about similarity of names and attached a letter written to the Registrar of Companies dated 2 June 2010 complaining about similarity of names between it and the applicant. He submitted that the issue of registration of names was beyond the jurisdiction of this office and that the first opponent should direct its complaint to the Registrar of Companies. Further, the allegations that there had been confusion between the first opponent and the applicant were baseless because even though the two operated Laboratory Services, the first opponent operated from Ngara, while the applicant operated

from 5th Avenue, Ngong Road. He continued that the applicant had never traded in any other name apart from Pathologists Lancet Kenya Ltd and had never attempted to use Lancet Kenya as alleged by first opponent.

With regard to the first opponent's reference to some newspapers to support the allegation that the applicant used the name Lancet Kenya, counsel submitted that if reporters had indeed used that name then it was not at the behest of the applicant and the applicant could not be faulted for this.

In conclusion, counsel submitted that the first opponent had no valid objection and its objection should be dismissed with costs.

With regard to the opposition by the second opponent, counsel started by noting that the second opponent had stated that it had no objection to the registration of the mark with the device in class 44. The opposition was only with regard to classes 16 and 41.

Counsel observed that the second opponent was a foreign company with no known place of business in Kenya and that in the event that its objection was to fail, the applicant would have no recourse in pursuing costs. The applicant therefore requested that an order be made under rule 56 requiring the second opponent to give security for the costs of these proceedings before a decision in regard to the opposition. He submitted that a sum of KSh. 400,000 would be sufficient and that the security be deposited with the Registrar.

Counsel next submitted that from all the documents and in particular the founding affidavit, the second opponent had no registered trade mark in Kenya and therefore had no protection under section 15, Trade Marks Act because there was no mark already in the Register in the second opponent's name. What the second opponent seemed to claim, in his opinion, was protection under section 15A in respect of well known trade marks. He submitted that it was a condition precedent to an objection under section 15 that a mark had to be in the Register for an opponent to rely on it and he therefore submitted that the opponent had no *locus standi* to file or maintain an objection for a registered trade mark under section 15.

Counsel submitted that in the Notice of Opposition, the second opponent had, *inter alia*, made the following claims:

1. That they were the owners of the trade mark THE LANCET;

2. That they had used their trade mark extensively and by virtue of that use, their trade mark had become extremely well known;
3. That the dominant word mark element of the opposed applications was identical to their trade mark and would be likely to deceive or cause confusion between the applicant's goods and those of the second opponent; and
4. That the registration of the opposed mark would be unlawful in terms of sections 14 and 15 of the Trade Marks Act.

All these allegations, he averred, had no basis.

By relying on section 15A, Trade Marks Act, counsel submitted that it could be assumed that the second opponent could prove that its mark was a well known trade mark. It was a pre-condition that the mark had to be well known in Kenya.

He submitted that section 15A was a reproduction of Art. 6bis of the Paris Convention, which obliged a member to refuse registration of a mark which is a reproduction or imitation, likely to cause confusion, of a mark considered by the competent authority to be well known in that country.

The obligation of the second opponent was to prove that its mark was well known in Kenya and not rely on its mark being well known in other countries to prove an objection in Kenya. He submitted that the second opponent's mark was not well known in Kenya and was not entitled to protection under section 15A. It did not matter how well known that mark was in other countries. Counsel argued further that the well known mark had to be in the league, to give examples, of Coca Cola, Toyota or Microsoft which were indisputably well known. He submitted that THE LANCET was not in that category.

Referring to paragraph 20 of the Founding Affidavit, he noted that the second opponent had no certainty that it had sold in Kenya goods bearing the trade mark THE LANCET. From its sales records tabulated in A - F, the following numbers were important to note:

The highest number of subscribers between 2005 - 2009 was as follows: for the print version, the highest number was 9; for the electronic version the highest number was 19; the registered users of the website were 3,646; the highest number of subscribers to the Lancet Infectious Diseases in Kenya was 3, the Lancet Neurology was again 3, while the Lancet Oncology was 0.

Further, the highest mention of articles in the Nation was 38 and similarly in the Business

Daily was 2. Those were the highest numbers achieved.

He submitted that these numbers were extremely low, almost non-existent when it was considered that Kenya was a country of almost 40 million and of that the highest number to have subscribed was 3,646. In terms of a population of 40 million, that was 0.009% of the total population. He submitted that for the second opponent to claim that THE LANCET was a well known trade mark in Kenya was an illusion. It was not a fact that had been established.

Counsel argued that the evidence he was relying upon had been produced by the second opponent and had to be held to be correct and had to be used against it. It was therefore untenable for the second opponent to claim protection under section 15A whereas it had failed to show that its trade mark was well known in Kenya.

Since the second opponent's mark was not well known in Kenya, the applicant submitted that it had been using the mark, it had applied for registration and proposed to continue using it in good faith in terms of section 15A(3) and 15(2) which was bona fide use and honest concurrent use.

The applicant was urging that registration of the applicant's mark be permitted since no good grounds had been submitted under sections 15 or 15A to refuse registration. The word 'Lancet' was a generic term that was neither unique nor special.

He also submitted that the second opponent and applicant operated in different channels and the marks would not be used in the same industry. The reason being the applicant was a market leader in provision of laboratory and pathology services while the second opponent offered goods and services in form of a general medical journal covering a wide variety of topics and the likelihood of confusion was almost non-existent.

Moreover, the applicant's trade mark was visually and conceptually different from the second opponent's mark. The applicant's mark had the get up of a serpent and a lance with white and blue backgrounds. The words PATHOLOGISTS LANCET KENYA were written in blue on a white background while LANCET was a word mark with no device and its colours were not the same as those of the applicant.

He submitted that registration of the applicant's mark would actually reduce the likelihood of confusion, if any. Further, none of the second opponent's rights had been infringed or would be infringed by registration of the applicant's mark. The second opponent had, thus,

failed to prove a case under sections 15 and 15A of the Trade Marks Act.

Regarding authorities cited, counsel noted that the WIPO Intellectual Property Handbook (authority 5) reinforced the requirements in section 15A, Trade Marks Act in relation to well known marks. He submitted that the requirements in paragraphs 5.82 and 5.84 had not been shown in this instance.

Regarding *Kerly's Law of Trade Marks* (authority 2), paragraph 17.07, he submitted that looking at the two marks, the two were substantially different. If you compared them, it was clear that the get up and words were different. The impression left on a person dealing with the two marks would be that they were not similar. There was no likelihood of confusion or deception. He noted that the second opponent admitted that 'The Lancet' was read by highly educated persons. These were persons who would not be confused by what they read or saw due to their sophistication. In any event, counsel submitted, the applicant was not publishing a journal like the second opponent.

With regard to the South African *Journal of Trade Marks* (authority 3), paragraph 7.7 on the doctrine of imperfect recollection, counsel submitted that when the doctrine was applied there was no likelihood that a person would be confused since they had different words and colours and, in addition, the applicant's mark had a device. Regarding paragraph 7.8 on general impression, he argued that in this case the first impression one got was that they were conceptually different. On paragraph 7.12, he submitted that when you considered the applicant's mark as a whole, there was no likelihood of confusion. Lancet was not invented, it was available for usage in the medical and business world and its ambit of protection is very narrow (see Paragraph 7.14).

Lastly, he argued that there was no evidence of actual confusion that had been provided and according to paragraph 7.17, evidence of actual confusion was not essential.

With regard to *Plascon v Van Riebeeck Paints* (authority 4), he submitted that the second opponent had not shown any evidence of confusion, deception or any probability of that happening. It had not discharged its burden of proof and its opposition should therefore fail.

In conclusion, counsel submitted that both oppositions had no merit and should be dismissed with costs.

SECOND OPPONENT'S SUBMISSIONS IN REPLY

In reply, counsel for the second opponent started by noting that, from both the statutory declaration by the applicant and the counter statement and submission by its counsel, the PATHOLOGISTS LANCET KENYA trade mark, though it had been used in various countries as submitted by counsel, this had only been in the area of pathology and laboratory services. No evidence had been submitted either in the applicant's statutory declaration or submissions by counsel to show that the applicant had ever dealt commercially or in trade in the field of books and publications or any goods in class 16 and services in class 41. It had only dealt in the areas of laboratory and pathology.

He reiterated that the second opponent had no objection to the application in classes other than classes 16 and 41. That was the area where the second opponent had established itself for more than a century. He submitted that it was only now in the applications made in this country that the applicant intended to venture commercially and use its mark in the field of publication or in goods in class 16. He submitted that the reason adduced by the applicant to justify its application in class 16, which was on publication and printing of cards, letterheads and publications towards its own customers to create its own awareness, was not a use as would be described with the use of a trademark.

He averred that the use of a trade mark was the use of a mark on the particular goods and services of the owner of the mark in the course of its trade but not the use of a mark or a name because that company was known in that name. He submitted that one did not require to register one's name or the company name as a trade mark for purposes of printing cards and letter heads because this was a usage in internal use and not in the trade area.

The paramount question, in counsel's view, was why would the applicant want to be registered for goods in class 16 and 41 if it had no intention to venture into commercial dealings with those goods. If this application was approved, the applicant would have a mark which it did not substantially use to show a connection with its goods and services as required by the Act. If the applicant had no intention of using the mark in class 16 or 41, it would suffer no loss or damage if the application was refused.

Turning to the applicant's contention that the word 'Lancet' was common and had been used by various people, entities and companies, counsel submitted that if these examples were

looked at, one would find that they fell under different classes as far as Nice Classification was concerned. None was in class 16 or 41 so they did not in any way infringe on the second opponent's trade mark because the second opponent's trade mark was in publication, precisely, in classes 16 and 41.

He submitted further that the word LANCET in the field of publication, class 41, had no direct relation to the goods, that is to say the word LANCET did not describe books. It was not descriptive of journals so when the word was used on publications, it was distinctive and was capable of distinguishing the publications between the parties.

On the issue of registration of the mark here in Kenya, counsel submitted that it was not compulsory to register one's trade mark or the mark used in trading one's goods. Section 5 was clear that the only thing you could not do is to protect your mark from use by third parties if it was not in the Register of Trade Marks. That did not mean a person who had been using a trade mark and had not registered could not object to the registration of that mark by another person. Such a person had all the rights to the objection or opposition if he had a claim and was the owner, whether registered or not. The rationale, in his view, was that when one was registered as the owner of a trade mark and the mark went into the Register, he had the exclusive right to use that mark to the exception of anybody else.

Where an applicant applied to register a mark, he was purporting to be the owner of that mark. If that mark had been used and known to be used by another party, that claim of the applicant to be registered as owner failed because he was not the owner.

Counsel submitted that on those two grounds, the first opponent had demonstrated that it had been in use of the mark in pathology services. Indeed in its submission and statutory declaration, it had demonstrated instances of it being confused with the applicant. That had not been denied in either pleadings or submissions.

Counsel submitted that the second opponent agreed that it did not have a registration of a trade mark in Kenya and it had clearly stated in its Notice of Opposition, declaration and its submissions that it was relying on its popularity and being a well known trade mark which was squarely protected by section 15A, Trade Marks Act.

Counsel submitted that the first opponent had the right to oppose registration due to its prior use and similarly, the second opponent had the locus to bring the opposition due to its prior and extensive use of the LANCET mark and also relying on section 15A, Trade Marks

Act. Counsel submitted that the second opponent had demonstrated that the LANCET was well known in Kenya as clearly demonstrated in paragraphs 18 - 21 of the statutory declaration by Jacques Billy.

With regard to the applicant's submissions that the statistics given as far as subscriptions were concerned were insignificant, counsel submitted that the journal was a medical journal used by doctors. Learning institutions e.g. Nairobi and Moi Universities, Nairobi Hospital were some of the subscribers of the journal. He argued that if one was to take literally the subscribers as only nine in 2005, one would fail to see the actual impact of those subscriptions, e.g. when Nairobi University was one of the subscribers, many people were going to read that journal in the University and even from outside because once it came to the library, it was in the public domain. Nine was only the subscribers but the number of readers would be immense. Counsel thus submitted that a mark could not be said to be well known only when the whole population knew about it.

Similarly with regard to the electronic version, counsel submitted that subscribers to the electronic version normally became providers for other users. Thus, the 19 subscribers should not be seen within the condensed number of 19 and it was therefore not proper to say that the mark was not well known simply because the subscribers listed were few. Likewise, with the presence of the journal in the Daily Nation, the number of articles may be few but how many people would have read it?

Counsel argued further that the LANCET could not be compared to a consumer item but instead the profession itself had to be considered and not the population of Kenya.

On comparison of the two marks, counsel submitted that the two marks were similar and the fact that the applicant's mark contained the three words PATHOLOGISTS, LANCET and KENYA did not make it any different with the very word LANCET used as a mark by the second opponent.

With regard to the doctrine of the impression given by the mark, counsel reiterated that though the applicant's mark consisted of the device, the word LANCET and PATHOLOGISTS, the main impression was LANCET. PATHOLOGISTS was just a word, the adjective to describe the word pathology. The impression left in anybody's mind was LANCET and when this was compared with the opponent's mark, the whole of the opponent's mark was incorporated in the applicant's mark and this increased the possibility of confusion. When the word

LANCET was looked at inside the mark of the applicant its impression did not fade, it was there and if this mark by the applicant was going to be used on goods of class 16, definitely there would be confusion.

On issue of visual similarity, counsel reiterated that the two marks did not need to be identical and indeed it was not advisable to put marks side by side for comparison because even though there might be some differences when seen side by side, whoever was seeing the trade marks under normal circumstances would not have the two side by side so that he could compare them thus the consumer might entertain the idea that one was coming from the other. Though doctors and students were highly sophisticated, if the applicant ventured into field of publishing journals with mark PATHOLOGISTS LANCET KENYA, the instance of a reader entertaining the idea that this was coming from the LANCET and not Pathologists Lancet Kenya was there.

Finally, counsel submitted that when considering the acceptance or refusal of the mark, it had to be noted that the applicant was venturing into the field of publication (class 16) for the very first time. It had no reputation in this field, it was not known to trade in those goods and if there was no hidden agenda that the applicant intended in future to venture into the field, then it should not be pursuing the application.

With regard to the issue of costs, counsel submitted that the applicant's request for the Registrar to use his discretion under rule 56 to ask that the second opponent do tender security for costs was a belated application. He submitted that an application for security of costs ought to be a formal application made by the applicant and supported by affidavits to demonstrate inability of the other party to settle costs if they were going to be granted. Making such an application orally, at this stage, in his view, was an abuse of the court process. He argued that the applicant should have made an application before the hearing of the matter started and the issue of costs should have been settled before the hearing commenced. The submission by the applicant of a figure of KSh. 400,000 did not compel the Registrar to order security of costs to be given. It was an afterthought and should be rejected.

In conclusion, he submitted that the opponents had made a case and the registration of the mark in classes 16 and 41 was not necessary and should be refused.

Before I turn to the issues, herein, I should note that the first opponent did not make any submissions in reply to the applicant's submissions.

ISSUES TO BE DETERMINED

The first opponent herein opposes the registration of the applicant's trade marks on the grounds that the marks are confusingly similar to the mark that it uses in business.

The second opponent, on the other hand, opposes registration of the marks on the grounds that, with regards to classes 16 and 41, it is the true owner of the mark THE LANCET, which it has used for over 200 years and which is well known both in Kenya and internationally and that, if allowed, the opposed trade marks would cause confusion or deception to members of the public.

Having carefully read through all the pleadings and the authorities filed in support as well as heard the submissions made by the parties herein, I have identified the issues to be determined in this opposition to be the following:

- Do the opponents have the *locus standi* to bring the oppositions?
- Does the applicant have a right to apply for registration as owner of the marks?
- Is there sufficient similarity between the applicant's and opponents' trade marks as to be likely to cause confusion among consumers?
- Is the second opponent's trade mark sufficiently well known as to merit protection?

My perusal of the opponents' pleadings and submissions also leads me to conclude that they are both concerned with the word element of the applicant's application PATHOLOGISTS LANCET KENYA, as the dominant element of the marks, and not with the logo element. The implication to be drawn from this is that had the applications consisted solely of a logo, neither party would have filed an opposition. The analysis below is thus primarily concerned with the word elements of the marks in question though the logo will also be discussed where relevant.

1. *Locus Standi*

This issue was raised by the applicant who argued that since the first opponent did not have a registered trade mark, it had no *locus standi* to file the objection. In support of this contention, counsel for the applicant referred to section 5, Trade Marks Act. A similar

argument was raised with regard to the second opponent only that in this instance, the applicant additionally relied on section 15(1) to argue that the second opponent could not be afforded special protection under the Act.

Section 5 of the Act provides that

No person shall be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an unregistered trade mark, but nothing in this Act shall be deemed to affect the rights of action against any person for passing off or the remedies in respect thereof.

Section 5 is concerned with infringement of a trade mark and is therefore entirely irrelevant to an opposition proceeding such as this. It is thus of no assistance to the applicant.

The applicant's submissions with regard to section 15 would appear to have been made in answer to ground 6 of the second opponent's notice of opposition which states, *inter alia*, that 'the registration of the Opposed Mark would be unlawful in terms of sections 14 and 15 of the Trade Marks Act'. Section 15(1) prohibits registration of marks that are identical with or resemble marks already on the register in respect of similar goods. The applicant correctly submits that this provision can only assist an opponent who has registered a trade mark in Kenya. The second opponent admits to not having registered its trade mark in Kenya and does not, in any of its other pleadings and submissions, make any reference to section 15 of the Trade Marks Act. Rather, the second opponent relies very heavily on section 15A and the claim that its mark is well known both internationally and in Kenya. Oppositions are governed by section 21(2) Trade Marks Act, which provides that '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.'

This provision does not contain any restrictions regarding persons who may file oppositions against applications for registration. All that is required is for the notice to be in writing and to include a statement of the grounds of opposition. Both of those requirements have been met in this instance.

I therefore hold that both the first and second opponents have *locus standi* under section 21(2), Trade Marks Act to file these oppositions.

2. Ownership of the mark

This issue was specifically raised by the second opponent who argued that it was the owner of the trade mark THE LANCET and that the applicant had no claim in law or equity to own the mark. It further argued that the applicant was not entitled to apply for registration of the mark under section 20(1). In response, the applicant argued that its parent company, Lancet Laboratories Group of South Africa had a long history of usage of the trade mark.

Section 20(1) of the Trade Marks Act provides 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 person who is entitled to apply for the registration of a mark can therefore only be the proprietor, or someone claiming to be the proprietor, of the said mark. Consequently, any person who disputes the proprietorship of an applicant may lodge an opposition to the registration.

In this instance, as mentioned above, the second opponent explicitly submitted that it was the owner of the mark THE LANCET, while the first opponent contested the manner in which the applicant depicted the word LANCET in its business dealings.

In support of its claim to the ownership of the mark in classes 16 and 41, the second opponent set out a detailed background and history of the publication bearing the mark THE LANCET - see the Founding Affidavit of Jacques Billy, paragraphs 5 - 17 and the annexures thereto.

The first opponent, for its part, in the statutory declaration filed on its behalf on 25 October 2010, adduced evidence in the form of a certificate of registration of a business name for Lancet Medical Laboratories dated 25 June 1984 (exhibit 1), a certificate of incorporation of Lancet Laboratories Limited dated 26 November 1987 (exhibit 2), and a certificate of incorporation of Lancet Laboratories (Two Thousand) Limited dated 14 January 2000 to support its claim of ownership of the mark.

The applicant, on the other hand, submitted that it was a subsidiary of a South African company called Lancet Laboratories, which operates in over ten countries and that has been in existence for over 50 years. It stated that the parent company had had a long

usage of the trade marks applied for and that the applicant's name was thus derived from its parent company's name and was used for uniformity. In support of this contention, the applicant relied on copies of sample business cards and letter heads used in other jurisdictions. It also relied on a certificate of incorporation of a South African company dated 25 October 1991.

I have examined the certificate of incorporation and note that it is a certificate of incorporation of a company by the name E-WHY TRADING NO. 22 (PROPRIETARY) LIMITED. Annexure PLK2B is a certificate of change of name of company dated 12 February 1992 certifying that E-WHY TRADING NO. 22 (PROPRIETARY) LIMITED of P. O. Box 2820, Johannesburg, had changed its name to LANCET SERVICE COMPANY (PROPRIETARY) LIMITED. The Memorandum of Association (exhibit PLK 10) tendered in evidence by the applicant, on the other hand, indicates the South African subscriber as Lancet Laboratories of P. O. Box 8475, Johannesburg. No explanation has been given by the applicant regarding the discrepancy in names between the company in PLK2, Lancet Service Company, and that in PLK10, Lancet Laboratories. Indeed, it is by no means clear that they are the same company, when one also considers the different addresses!

The applicant's own evidence does not, therefore, support its claim to have been using the trade marks for over 50 years. Indeed from the evidence on record, the first mention of the word LANCET was in 1992 by Lancet Service Company, not Lancet Laboratories. This is as opposed to the first opponent, which has adduced evidence of registering a business name having the word LANCET in 1984, and the second opponent, which has used the mark THE LANCET for well over 100 years.

With regard to the fields of operation, the first opponent clearly operates in the area of clinical laboratory and related service, which is class 44, the same class that the applicant seeks to register its mark in. The second opponent does not seek to oppose registration in class 44 but opposes registration in classes 16 and 41.

The applicant admits that its reputation is in the field of clinical pathology and laboratory services while stating that it was applying for registration in classes 16 and 41 by virtue of the instructional materials that it produced and the training it offered its staff. The applicant also submitted that it was applying for registration in class 16 in order to allow it to print promotional material. On this issue, I am in agreement with counsel for the second

opponent that there is no need for the applicant to register a mark in that particular class if its sole purpose is to print business cards, letter heads and promotional material of an internal nature and not to actually trade in goods that fall under that class. Trade marks are aimed at indicating a connection in the course of trade between goods or services and the proprietor or licensee of the mark or distinguishing between goods and services of the same kind belonging to different persons.

Taking all the above into consideration, I therefore find that the first opponent has established that it was the first user of the mark LANCET for laboratory services in Kenya and that the second opponent has established that it is indeed the owner of the mark THE LANCET for classes 16 and 41.

The legality or otherwise of the registration of the applicant's name with the Registrar General is not at issue here as the registration of companies and business names is catered for under a separate legal regime.

3. Deceptiveness or Likelihood of Confusion, Section 14

Section 14, Trade Marks Act provides that

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.

This is the provision impliedly relied on by the first opponent in its opposition and expressly stated as part of ground 6 in the second opponent's notice of opposition.

The question that arises is whether the opposed mark would be disentitled to protection in a court of justice 'by reason of its being likely to deceive or cause confusion'.

In this instance the marks in question are the applicant's PATHOLOGISTS LANCET KENYA (word and device), the first opponent's LANCET LABS. (2000) LTD and the second opponent's THE LANCET.

The crux of the first opponent's argument was that the appearance of the applicant on the market had created a good deal of confusion among members of the public regarding the two entities, that is to say, the first opponent and the applicant. It was of the opinion that this had already created a great deal of confusion and that registering the name of the

company as a trade mark would create more confusion. In support of its opposition, the first opponent submitted evidence of parcels that had been wrongly delivered, photographs of the applicant's office, a yellow pages advert and test results for one company being sent to the other.

In reply, the applicant submitted that the allegations of confusion were baseless as the two operated in different locations within Nairobi. It further argued that it could not be held responsible for the use of the name Lancet Kenya by the newspapers.

The second opponent, on the other hand, expressed its apprehension that given its long use of the mark, if the applicant were to come up with a journal or periodical in the field of health in line with what they did, then definitely confusion would occur. It submitted that the applicant's mark was so similar to its own well-known mark that it would confuse or be likely to deceive. It submitted that the distinctive feature of the applicant's mark was LANCET since the other two words, PATHOLOGISTS and KENYA, were descriptive and geographical in nature. It argued that the dominant feature in the applied for mark was LANCET, and that for that reason, it was similar to its THE LANCET mark.

In reply, the applicant submitted that the applicant's trade mark was visually and conceptually different from the second opponent's mark in that the applicant's mark had the get up of a serpent and a lance with white and blue backgrounds together with the words PATHOLOGISTS LANCET KENYA while that of the second opponent was purely a word mark. There was therefore no likelihood that a person would be confused.

Having examined the respective submissions, I am persuaded, with respect to class 44, that there is indeed sufficient evidence of not just a likelihood of confusion but actual confusion arising from the existence of the two companies in the same field of services, such as would disentitle the applicant to protection in a court of justice. With regard to class 44, which is the area in which the first opponent operates, the applicant's application in its current form is thus refused.

With regard to classes 16 and 41, I am in agreement with counsel for the second opponent that the dominant element of the opposed mark is the word LANCET as the other two words are merely descriptive of the services and the geographical area of operation. I am also in agreement with the second opponent that even though the word 'lancet' in its ordinary sense is a common word applied to a medical instrument, when used in relation to

publishing and printing matter, it is entirely novel and distinctive. The second opponent has therefore established that if the applicant's mark was registered there would be a likelihood of confusion such as would disentitle the applicant from protection in a court of law.

4. Well-known nature of the second opponent's trade mark, section 15A

This issue arises in connection with the second opponent's opposition to the applications for registration of the applicant's marks in classes 16 and 41.

Section 15A(4), Trade Marks Act provides that 'A trade mark shall not be registered if that trade mark, or an essential part thereof, is likely to impair, interfere with or take unfair advantage of the distinctive character of the well-known trade mark.'

In order to determine whether this ground of opposition succeeds, it is necessary to determine, firstly, whether the second opponent's trade mark is well-known, and secondly, whether the applicant's trade mark, or an essential part thereof, 'is likely to impair, interfere with or take unfair advantage of the distinctive character of the well-known trade mark.' I also recall the words of the Registrar in *In the matter of opposition to TMA No. 54559 (PAINAMOL - word mark), Beta-Health Care International Ltd (applicant) versus Smithkline Beecham (Plc) Ltd. (opponent)* where he stated that 'The question of being a well-known mark is a question of fact and that requires proof of the state of mind of consumers in the geographical territory in question and around the world in general.' In determining this issue, the factors found in the Joint Recommendation Concerning Provisions for the Protection of Well known Marks, which the second opponent referred to in its submissions, are also relevant:

- 1) The circumstances from which it may be inferred that the mark is well known.
- 2) The degree of knowledge or recognition of the mark in the relevant sector of the public;
- 3) The duration, extent and geographical area of any use of the mark;
- 4) The duration, extent and geographical area of any promotion of the mark, including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;
- 5) The duration and geographical area of any registrations, and/or any applications for

- registration, of the mark, to the extent that they reflect use or recognition of the mark;
- 6) The record of successful enforcement of rights in the mark, in particular, the extent to which the mark was recognized as well known by competent authorities; and
 - 7) The value associated with the mark.

Regarding these factors, the second opponent adduced evidence regarding the duration of use of its trade mark, THE LANCET, and the jurisdictions where it has been registered. It adduced evidence that THE LANCET had been registered in more than 45 countries with 72 fully registered registrations and more pending. These countries range from Canada and the US to the UK, India, Malaysia and New Zealand. It submitted that the journal had an extremely high degree of recognition in the health publication sector as demonstrated in paragraphs 12 and 13 of the Jacques Billy statutory declaration.

It also adduced evidence regarding the number of downloads of THE LANCET content from its electronic platform and the number of registered users of its website, which was almost 2 million in 2008. Though admitting that it was hard to know the exact number of sales of the journal made to Kenya, the second opponent submitted that Kenyans had had access to the website since its launch in 1996 and it provided figures for the number of subscribers to the print and electronic versions of THE LANCET for the period 2005 - 2009. It also submitted that at the end of 2010, there were 3,646 registered users of the website giving their addresses as being in Kenya.

Counsel for the second opponent further submitted that the popularity of the journal could also be gauged from the number of times that it had been cited in the daily newspapers read by many people in the country. Further, even though the actual number of subscribers for the print and online versions was small, the actual impact was large since the subscribers included hospitals and learning institutions meaning that the number of readers would be immense.

In response, the applicant argued that the number of subscribers was low and that as a total of the Kenyan population, it was not sufficient to establish that the mark was well-known.

Taking into consideration the above evidence, I am persuaded by counsel for the second opponent that the second opponent's mark THE LANCET is indeed well-known both globally

and in Kenya for goods and services in classes 16 and 41. This can be concluded from the duration of use of the mark, the geographical extent of its use and registration, together with its substantial presence on the internet. I do not agree with the applicant that the raw number of subscribers to the journal or registered users of the website in Kenya is the correct test to be used in determining whether or not the mark is well-known.

I find that the second opponent has adduced sufficient evidence to establish that the mark THE LANCET is indeed well known in the medical field and that registration of the applicant's mark in classes 16 and 41 would take unfair advantage of, or otherwise impair, the second opponent's well known trade mark.

5. Security for costs

The applicant, in its submissions before me, had requested that an order be made under rule 56 requiring the second opponent to give security for costs as it was a foreign company with no known place of business in Kenya. It had proposed that a sum of KSh. 400,000/- would be sufficient in this regard.

Counsel for the second opponent submitted that the request was a belated application and should be rejected. He argued that such an application should have been made formally before the hearing and been supported by affidavits to demonstrate inability of the other party to settle costs.

While I am in agreement with counsel for the applicant that the Registrar does indeed have the power under section 21(11) of the Act and rule 56 of the Rules to require an opponent that neither resides nor carries on business in Kenya to give security for costs, this is a discretion, like all discretions, to be exercised judiciously. In this instance, I am in agreement with the second opponent that this application is belated and should be rejected.

DECISION

For the reasons set out above, the Registrar finds as follows:

1. That the two opponents have the *locus standi* to bring these oppositions;
2. That the applicant has failed to establish that it is the owner of the trade marks applied for, specifically the word component of the marks, as required by section

20(1);

3. That registration of the marks would cause confusion and deception to members of the public contrary to the provisions of section 14;
4. That registration of the marks in classes 16 and 41 would impair, interfere with or take advantage of the second opponent's well-known trade mark contrary to the provisions of section 15A(4);
5. That the marks shall proceed to registration only on the condition that the words PATHOLOGISTS LANCET KENYA are deleted, that is to say, the device alone shall be registered.

With regard to the question of costs, having found that the applications can proceed for registration conditionally, and also considering that the applicant followed the prescribed procedures for determining the availability of the mark from the Register, I rule that each party shall bear its own costs in this matter.

Ruling dated and delivered at Nairobi this 6th day of March 2013



Dr. Henry Kibet Mutai
Managing Director