

REPUBLIC OF KENYA

KENYA INDUSTRIAL PROPERTY INSTITUTE

IN THE MATTER OF THE TRADE MARKS ACT, CAP 506

AND

IN THE MATTER OF TMA NOS. KE/T/2008/64107 “PRESIDENT” AND

KE/T/2008/64506 “PRESIDENT SPECIAL EDITION LAGER”

IN THE NAME OF EAST AFRICAN BREWERIES LIMITED

AND OPPOSITION THERETO BY CERVECERIA NACIONAL DOMINICANA C. POR A.

(Hearing held on 18th June 2013)

Counsel for the applicant: Penina Munyaka of Simba & Simba Advocates;

Counsel for the opponent: Shem Otanga of Hamilton Harrison & Mathews
Advocates;

Concilia Were, Legal Officer, KIPI;

Before the Registrar of Trade Marks, Dr. Henry Kibet Mutai)

RULING

INTRODUCTION

This is an opposition matter filed by Cerveceria Nacional Dominicana C. Por A. (hereinafter referred to as the opponent) against the registration of trade mark application numbers KE/T/2008/64107 PRESIDENT (word) and KE/T/2008/64506 PRESIDENT SPECIAL EDITION LAGER (word and device), in the name of East African Breweries Limited (hereinafter referred to as the applicant).

PROCEDURAL BACKGROUND

On 23 September 2008, the applicant filed an application to register the trade mark KE/T/2008/64107 PRESIDENT (word) in classes 32 for “Beer; ale, stout and porter; low alcoholic beers; non-alcoholic beverages in this class; mineral and

aerated water; soft drinks, drinks containing fruit juices; preparations for making beverages” and 33 for “Alcoholic beverages”.

The application was duly examined and, by a letter dated 12 November 2008, the applicant was notified that the application was being refused on the ground that it was similar to another mark existing in the register with the following particulars:

T.M. No.25326 “CUVEE DU PRESIDENT” (words) in class 33 in respect of wines. The mark is in the name of National Office for Commercialization of Wine Growing Products of 112 Quai Sud, Algiers, Algeria. The same is subsisting in our records for a period of 7 years as from 24th October 1978. However, note that a notice to remove the said mark from our register due to non-payment of renewal fees has already been issued. The mark will now be advertised in our next IP Journal before removal from the register.

On 13 January 2009, the applicant wrote to the Registrar requesting him to approve the application for registration as the conflicting mark had been advertised and removed after the lapse of the stipulated thirty (30) days.

On 5 February 2009, the applicant was informed that the application had been approved for publication subject to payment of the requisite fees. Subsequently, the whole fee not having been paid, on 13 February 2009, the applicant was informed that the application would be advertised upon payment of the outstanding balance. Thereafter, the fee having been paid, the application was duly advertised in the March 2009 issue of the Industrial Property Journal.

Meanwhile, on 14 November 2008, the applicant filed an application for the registration of the trade mark KE/T/2008/064506 PRESIDENT LABEL (word and device) in class 32 for “Lager”. The application was duly examined and, by a letter dated 2 December 2008, the applicant was required to disclaim the right to the exclusive use of the words “PRESIDENT” “SPECIAL” “EDITION” and “LAGER” each separately and apart from the mark as a whole. The applicant was also required to delete all other sign writings including the bar code, measurement, alcoholic level, price etc.

The applicant duly filed an application dated 10 December 2008 to amend the application in which it disclaimed the right to the exclusive use of the words “PRESIDENT”, “SPECIAL”, “EDITION” and “LAGER” each separately and apart from the mark as a whole and deleted all other sign writings on the label and attached a new label bearing just the words PRESIDENT SPECIAL EDITION LAGER and a device. On 19 February 2009, the applicant was informed that the application had been approved for advertisement subject to payment of the requisite fees. Thereafter, the fee having been paid, the application was also advertised in the March 2009 Industrial Property Journal.

On 29 May 2009, the firm of Hamilton Harrison & Mathews Advocates filed applications for extension of time on behalf of their client Cerveceria Nacional Dominicana C. Por A. in relation to both marks, on the ground that they were awaiting receipt of their client’s instructions. Both applications were granted up to 29 June 2009.

On 29 June 2009, the opponent filed Notices of Opposition against the registration of the marks PRESIDENT and PRESIDENT SPECIAL EDITION LAGER on the grounds, *inter alia*, that it claimed prior international registration and use of its trade mark PRESIDENTE (word and device) in class 32 in respect of beers, that it had been using the mark for more than 10 years, that the offending marks resembled the opponent’s trade mark PRESIDENTE which consumers had over a period of time come to associate with the opponent’s products, that the applicant’s use of the offending marks was likely to deceive and/or cause confusion between the goods of the applicant and those of the opponent, that the offending marks covered goods identical to those of the opponent, that the conduct of the applicant in using the offending marks was an infringement of the opponent’s trade mark, and that registration of the marks would be unlawful under sections 14 and 15 of the Trade Marks Act.

The opponent also claimed that the conduct of the applicant in making the opposed applications, and generally, was in bad faith. Based on the above grounds, the opponent prayed that the registration of the said marks be refused and costs awarded to the opponent.

The Notices of Opposition were duly forwarded to the applicant through a letter dated 7 July 2009 and the applicant asked to file its counter statements within 42 days from the date of receipt of the Notices of Opposition.

After obtaining a number of extensions of time for filing its counter statement, the applicant eventually filed its counter statements to the opponent's Notices of Opposition on 13 November 2009. In the counter statements, the applicant stated, *inter alia*, that its mark had been in use in Kenya and had acquired its own distinct good will, therefore acceptance and registration of its trade marks would not endanger the opponent's PRESIDENTE (word and device) mark as the two marks were not likely to deceive or cause confusion, that the opposition was actuated by bad faith and solely designed to deny entry to the Kenya market and deny consumers a variety of goods, block competition and enable the opponent to have monopoly in the market thus hampering free and fair trade, that trade marks were territorial in nature and the opponent had not proved registration of its mark nor shown usage in the country and that the opponent lacked locus standi to raise issues of trade mark infringement. The applicant further stated that the Notices of Opposition were fatally defective in form and that it would be seeking to have them struck out.

For these reasons the applicant prayed that the oppositions be dismissed and the applications allowed to proceed to registration with costs in its favour.

The counter statements were duly forwarded to the opponent vide a letter dated 23 November 2009 and the opponent required to file its Statutory Declarations within 42 days from the date of receipt thereof.

After obtaining several extensions of time, on 5 April 2010, the opponent filed its statutory declarations, which were sworn on its behalf by its President, Rafael G. Menicucci. In the statutory declarations Mr. Menicucci averred, *inter alia*, that he was duly authorized to depose to matters relating to the applications, that the mark shown in the applications, being virtually identical with its well-known and famous PRESIDENTE (word and device) mark was evidence that the applications had been made in bad faith, with a *mala fide* intention to misappropriate the exclusive proprietary rights enjoyed by the opponent in respect of its well-known

and world famous PRESIDENTE mark, thus, adversely affecting its rights and goodwill in regard thereto, that information about the opponent, its business, and activities and also the brands sold by the opponent was available, *inter alia*, on the website www.cnd.com.do and had been accessible to users of the internet throughout the world, that by virtue of its extensive international marketing and sales, and that the applicant, being in the beer industry would or should know of the opponent and its PRESIDENTE mark for beer.

The deponent further averred that the opponent was the owner of numerous trade marks registrations for PRESIDENTE and PRESIDENTE label for beer with registrations in over 50 countries, that it had several applications pending in various countries and that despite the fact that it did not have a registration for its marks in Kenya, the unauthorized use of an identical mark for an identical product was contrary to and offended Article 6bis of the International Paris convention. The opponent thus requested the Registrar to exercise his discretion in its favour and reject the applications filed by the applicant.

Attached to the opponent's statutory declaration were three exhibits comprising:
Exhibit RGM1 - Certificates of Registration for Benelux, France, Portugal, Guatemala, Italy, Panama and the UK;

Exhibit RGM2 - labels bearing the PRESIDENTE mark; and

Exhibit RGM3 - Worldwide PRESIDENTE sales volumes in Hecto Leaders (sic) from 1997 - 2009 and Net Operating Revenue from Worldwide sales of PRESIDENTE beer in US Dollars from 2003 - 2009.

The Statutory Declarations were duly forwarded to the Applicant vide a letter dated 18 May 2010.

After obtaining several extensions of time, on 15 September 2010 the applicant filed its statutory declarations sworn on its behalf by its Legal Counsel/Group Company Secretary, Agnes Murgor.

In the statutory declarations, Ms. Murgor deponed, *inter alia*, that she was duly authorized to swear the statutory declarations in the applicant's favour, that the applicant had been in operation in Kenya for more than eighty years, that the Company had through the years nurtured and come up with various brands of beer

that had done well in the local market and in the other markets that the Company exported its products to, that amongst the brands that the applicant owned was the brand called PRESIDENT to which the applications related, that the applicant's marks had for many years been extensively used in many countries throughout the world, by them and by their predecessors in title and their licensees, to distinguish their activities and the goods with which they were connected in the course of trade and that the applicant was the sole lawful proprietor in Kenya of the trade mark application numbers 64107 and 64506.

The deponent further averred that the applicant distributed its products in Kenya through various wholesale and retail outlets, that it owned over 100 other Trade Marks registered in Kenya which marks were also used in class 32 and 33 and that these marks included TM 57230 SENATOR LAGER, TM 64334 DEMOCRAT and TM 40849 CITIZEN LAGER LABEL, that these marks were in the English language just like the mark PRESIDENT, that the applicant had expended colossal amounts of money, time and effort in the publication, promotion and marketing of alcoholic beverages sold under the PRESIDENT trade mark, that it allocated a considerable amount of money and internal resources to protecting its marks and that as a result of such operations, use and advertisement (amongst other factors), the applicant's trade mark was well known as distinguishing the applicant's marks, and the goods with which it was connected in such trade from the businesses and goods of all others and as such the applicant's mark was entitled to protection.

With regard to the opponent's statutory declaration, the deponent averred that the exhibits attached should be ignored as they did not conform with the provisions of the law, that the applications had been made in good faith, that the applicant's product PRESIDENT had been continuously sold in the country from the year 2008, that other than the United Kingdom, all the other countries that the opponent had obtained registration in were primarily non-Anglophone speaking and that the opponent's products seemingly targeted non-Anglophone countries only, hence rendering the likelihood of confusion unlikely. Further, the applicant had created a niche for its products which were distinctively unique and not likely to be confused with other beer products, that the opponent had failed to demonstrate use or registration of its trade mark in Kenya and did not merit

protection and that the opponent had not demonstrated that its mark was a well known mark and thus did not merit the protection conferred to well known marks under the Paris Convention.

For these reasons, the deponent prayed that the oppositions be dismissed, that the applicant's applications be allowed to proceed to registration and that costs of the proceedings be awarded in favour of the applicant.

Attached to the applicant's statutory declarations were three exhibits comprising: Exhibit AM1 - Labels bearing the marks SENATOR, CITIZEN and PRESIDENT SPECIAL EDITION LAGER;

Exhibit AM2 - a copy of a page from the Daily Nation of 6 November 2008 bearing an advertisement for PRESIDENT SPECIAL EDITION LAGER; and

Exhibit AM3 - a list showing PRESIDENT Metric Cases Data from November 2008 to August 2010.

Copies of the applicant's Statutory Declarations were duly forwarded to the opponent vide a letter dated 1 October 2010.

On 3 November 2010, the opponent's agents filed applications for extension of time on the grounds that they were awaiting their client to finalize its statutory declarations. The same were granted up to 6 December 2010. Thereafter, a second extension was granted to 7 February 2011.

On 25 February 2011, the applicant's agents wrote to the Registrar requesting him to deem the opposition abandoned or to fix the matter for hearing. The applicant was notified by the Assistant Registrar that Rule 52A, Trade Mark Rules was not couched in mandatory terms and therefore the Registrar could not abandon the opposition but only invite parties to fix a hearing date.

Both parties were thereafter invited to fix hearing dates and the hearing was fixed for 26 July 2011. However, on 12 July 2011, the opponent's agents wrote a letter requesting the Registrar to adjourn the hearing for a period of 30 days as they were awaiting further instructions from their client. The applicant's agents opposed the adjournment on the ground that the date had been taken by consent and requested that the hearing continue on 26 July 2011 as agreed.

The opponent's counsel replied to the same through a letter dated 18 July 2011, requesting the registrar to exercise discretion and grant an adjournment of the

hearing. Through a letter dated 22 July 2011, the Registrar exercised discretion and granted the adjournment sought by the opponent.

On 24 August 2011, both parties were invited to fix a hearing date and the same was fixed for 17 November 2011. On 15 November the parties agreed that the matter would not proceed on 17 November and that the parties would instead file written submissions.

On 16 November 2011, the opponent requested leave under rule 52 of the Trade Mark Rules to put in further evidence of registration of the mark PRESIDENT by way of a further Statutory Declaration and that it be granted a further adjournment of the hearing. The applicant opposed the adjournment sought by the opponent and the application to file additional evidence. It stated that if the Registrar was to allow the applications, the further statutory declarations must be allowed only in so far as they restricted themselves to the introduction of the certified translations of the opponent's certificates of registrations but that the applicant must file the same together with the submissions within the given period of 14 days from 17 November 2011.

The opponent through its letter dated 21 November 2011 requested the Registrar to exercise his discretion and grant the adjournment sought and that the directives issued under the Registrar's letter dated 15 November 2011 be amended to require it to file the submissions within 14 days of 17 December 2011 which was the date on which the 30 day adjournment period sought by the opponent would expire. On 30 November 2011, the Assistant Registrar wrote back directing the opponent to make the necessary applications to enable the Registrar make a decision on the matter.

On 23 February 2012, the opponent filed a Notice of Motion application together with a supporting affidavit sworn by one Barry Krivisky for leave to file further evidence in support of its case against the applicant's applications for registration of its mark PRESIDENT. The same was duly served on the applicant vide a letter dated 29 February 2012 and the parties invited to fix a hearing date for the same. The hearing was fixed for 5 June 2012.

Through a letter dated 23 April 2012, the parties recorded a consent that the opponent be granted leave to file a further statutory declaration containing

further evidence limited to additional certificates of registration of the opponent's trade mark as well as corresponding translations where required and translations of certificates of registration of the opponent's trade mark which required translation and which were already on record. The parties also agreed that the opponent's applications dated 23 February 2012 and fixed for hearing on 5 June 2012, be marked settled, that subject to the grant of the above orders, the attached statutory declarations be deemed filed, that the opponent to file its written submissions and list of authorities, if any, with the Registrar within 14 days of receipt of the Registrar's official communication of the approval of the consent order, that the applicant to file its written submissions and a list of authorities, if any, with the Registrar within 14 days of receipt of the opponents submissions and list of authorities if any, that the opponent be at liberty to file with the Registrar a reply to the applicant's written submissions within seven days of receiving the applicant's written submissions and a list of authorities, if any, and that the hearing date of 5 June 2012 be reserved for the highlighting of the submissions filed as submitted above.

The consent was adopted by the Registrar as drawn.

The opponent's further statutory declarations, sworn on its behalf by Barry Krivisky, its American based agent, were thereafter filed at the Registry on 24 May 2012. The deponent averred, *inter alia*, that he was duly authorised to make the affidavits on behalf of the opponent, that the opponent had registered its PRESIDENTE trade mark in various jurisdictions worldwide and that it was annexing copies of the certificates of registration and their English translations.

On the same date, the opponent filed its written submissions in support of its case and the same were duly forwarded to the applicant through a letter dated 28 May 2012 and the applicant required to file its written submissions.

OPPONENT'S SUBMISSIONS

In its written submissions, the opponent submitted, *inter alia*, that it was the leading beer manufacturer in Central America and that its leading beer brand was the PRESIDENTE beer which was available in numerous international markets, that

it had obtained extensive trade mark protection for its PRESIDENTE trade mark in multiple jurisdictions in the form of trade mark registration, and that it opposed the registration of the applicant's marks primarily on the grounds that the opposed marks so nearly resembled its PRESIDENTE trade mark that they were likely to deceive or cause confusion among members of the public.

The opponent further submitted that it had manufactured and distributed its PRESIDENTE beer brand across the Caribbean Islands for decades and obtained its trade mark registration in the Dominican Republic in 1979, that it had provided evidence of the international sales volumes for its PRESIDENTE beer brand for the 13 year period between 1997 and 2009 (both years inclusive) and of the revenue generated from the sales of its PRESIDENTE beer brand for the 7 year period between 2003 and 2009 (both years inclusive).

The opponent submitted that the issues for determination by the Registrar were:

1. Whether the opponent's PRESIDENTE trade mark was a well known mark;
2. Whether the applicant's PRESIDENT trade marks so closely resembled the opponent's trade mark as to be likely to deceive or cause confusion or otherwise be disentitled to protection in a court of justice;
3. To this extent, whether the registration of the applicant's trade marks would contravene the section 14 of the Trade Marks Act;
4. Whether the goods on which the applicant used its PRESIDENT marks were similar to the goods on which the Opponent used its PRESIDENTE mark and the effect of such similarity (if any);
5. Whether the applicant's application was made in bad faith; and
6. Whether the applicant's trade mark application numbers 64107 and 64506 should be allowed to proceed to registration or whether the same should be rejected.

With regard to whether its PRESIDENTE trade mark was a well known mark, the opponent relied on the WIPO Recommendations on Well Known Marks and submitted, *inter alia*, that the mark qualified as a well known mark on the grounds, firstly, that its PRESIDENTE trade mark was registered in over 50 countries and it had trade mark registration applications pending in several other

countries around the world and that this broad geographical range lent credence to its claim of the wide recognition of its mark, secondly, that its PRESIDENTE beer was offered for sale in various diverse places on the international market including the Caribbean Islands - Saint Martin, Curacao, US Virgin Islands, Tortola, Antigua, San Andres, Martinique and Guadalupe; and Switzerland and thirdly, that owing to its wide international distribution network and elaborate marketing significantly high sales volumes and revenue had been achieved.

The fourth ground on which the opponent argued that its mark was well known was that its mark had a high degree of recognition in the relevant sector of the public due to the advent of high speed travel technology which meant that a considerable body of consumers in Kenya comprising Kenyans who had visited places where PRESIDENTE was sold and tourists visiting Kenya from countries where PRESIDENTE was sold were familiar with its trade mark. In support of this proposition, the opponent relied on *In the Matter of an Application for Registration of the Trade Mark WESTINCAFE in Class 30 in Part A of the Register by UNICO Trading PTE Limited and Opposition thereto by Westin Hotel Company Limited* (1993), (the Westincafe case) and *In the Matter of Trade Mark Application Numbers 43283-4 N'ICE (Word) in Class 3 and 5 in the Name of Beta Healthcare International Limited and Opposition thereto by Smithkline Beecham Plc* (the N'ICE Case). The opponent argued that if Kenya as a developing country intended to build and retain foreign investor confidence, her judicial system had to demonstrate that it had the capacity to construe the law broadly in order to protect well known trade marks that had not been registered here.

With regard to whether the opposed marks so closely resembled the opponent's mark as to be likely to deceive or cause confusion, the opponent submitted that the similarity of the applicant's marks to the opponent's mark was likely to cause consumers and persons familiar with the opponent's well known brand to infer some connection between the applicant's PRESIDENT labelled products and the opponent's PRESIDENTE labelled products and/or infer that the applicant and the opponent were somehow associated in the course of trade. In support of this proposition the opponent relied on the *Westincafe Case*, and the words of Parker J. in *the Pianotist Co.s Application* (1906) 23 RPC 774.

On the question of visual similarity, the opponent submitted that the words PRESIDENT and PRESIDENTE were virtually identical save for the lack of the letter "e" at the end of the PRESIDENT mark. On aural similarity, it submitted that English speaking consumers in Kenya were likely to pronounce both PRESIDENT and PRESIDENTE in the same way, that is, with a "z" intonation in place of the "s" thereby resulting in confusion while Spanish speaking consumers would also pronounce PRESIDENT and PRESIDENTE in the same way but with emphasis being placed on the "s" sound in both marks still also resulting in confusion. Both sets of consumers would therefore find a phonetic similarity between PRESIDENT and PRESIDENTE. On the issue of conceptual similarity, it submitted that the word PRESIDENTE was Spanish for the chief executive officer in the government of a modern republic while PRESIDENT was the English equivalent of the opponent's mark. The concept conveyed by both marks was one of prestige, class and/or authority.

On the question of similarity of goods, the opponent submitted that the goods upon which both the opposed marks and the opponent's trade mark were applied were alcohol/beer products. This fact heightened the likelihood of confusion being occasioned among the significant number of people who were familiar with the opponent's mark.

If the above criteria were applied, the opponent submitted that it became clear that use of the applicant's marks could only result in one outcome and that was confusion among the significant body of consumers who were familiar with the opponent's PRESIDENTE products. In this regard, the opponent submitted that the pertinent question was not whether people would actually buy the applicant's PRESIDENT beer thinking it was the opponent's PRESIDENTE beer but whether they could possibly associate the applicant's beer with that of the opponent.

For these reasons, the opponent submitted that registration of the opposed marks would be contrary to the provisions of section 14, Trade Marks Act.

With regard to whether the applicant acted in bad faith in making the opposed applications, the opponent submitted that any argument by the applicant that the selection of the PRESIDENT trademark was done independently of any knowledge of the opponent's prior existing, well known international trademark for similar

goods was simply unbelievable especially in light of the marked similarity of the two marks. The close resemblance and indeed near identical nature of the two marks was no coincidence and the fact that the marks were used upon products of a similar nature lent credence to this assertion. Moreover, by virtue of the prior existence of the opponent's substantially similar and well known PRESIDENTE mark which the applicant knew of or (in light of the international reputation of the opponent's mark) ought to have known about, the applicant could not be deemed to be the rightful proprietor of the suit mark. In support of this proposition, the opponent referred to *Kerly's Law of Trade Marks* 4-03 on pages 28 and 29.

Lastly, with regard to the burden of proof, the opponent submitted that the onus was on the applicant, which had to show that the opponent's opposition was without merit.

In conclusion, the opponent urged the Registrar to consider the fundamental question that lay at the heart of these proceedings, which was, what is the purpose of a trade mark? The opponent submitted that the opposed marks by virtue of being substantially similar to the opponent's prior, well known mark, actually did more to infer a connection between its goods and those of the opponent than they did to create a distinction between the same and therefore did not properly live up to the statutory function of a trade mark. Why should a mark that was clearly and substantially similar to another entity's mark obtain protection when by its nature it did more to cause an association with another mark than to distinguish it from that other mark? The opponent submitted that there was no reason why the applicant's trade mark application should be allowed to proceed to registration and as such its application should be disallowed.

Based on the above submissions the opponent urged the Registrar to reject the applicant's trade mark applications.

APPLICANT'S WRITTEN SUBMISSIONS

In its written submissions in response, the applicant submitted, *inter alia*, that it had come up with various trade marks of beer, including the PRESIDENT mark, that had done well in the local market and in other markets that the company exported its products to. These trade marks included TM 57230 SENATOR

LAGER, TM 64334 DEMOCRAT and TM 40849 CITIZEN LAGER LABEL. It further submitted that it had used and continued to use the mark PRESIDENT on its products, that its various wholesale and retail outlets had in the past and continued to date to display the applicant's mark PRESIDENT as a house brand trade mark, that it had expended colossal amounts of money, time and effort in the publication, promotion and marketing of alcoholic beverages sold under the mark PRESIDENT and that it had used the mark PRESIDENT in Kenya since the year 2008.

With regard to whether the opponent's trade mark PRESIDENTE was a well known mark, the applicant submitted that the mark PRESIDENTE had not been registered in Kenya and no evidence had been produced by the opponent to suggest the contrary, that the opponent's mark was not in use in Kenya either by way of advertisement or on sale of products and that, as a matter of fact, the evidence submitted by the opponent made it clear that the opponent had not related its mark with Kenya. There was neither evidence of registration of the opponent's mark in Kenya, nor evidence in support of use of labels bearing the opponent's mark in Kenya nor had sales figures been produced to show that any products had been sold in Kenya bearing the label of the opponent's mark. Moreover, no evidence had been produced to relate the opponent's mark to sales or consumer awareness in Kenya, East Africa or even in Africa at large.

With regard to the registration of a trade mark in foreign countries, the applicant submitted that the same was not a guarantee of registration in Kenya. In support of this proposition, the applicant referred to *In The Matter of Application to Register TMA No. 50149 Sensations (word & device) in Class 26 in the Name of Stripes Limited and Opposition thereto by Hair Zone, Inv.* where the Registrar had noted that

protection and registration of trade marks is territorial in nature. The Registrar finds that the fact that the mark SENSATIONS has been registered in Zanzibar, Uganda and Tanzania is not relevant to registrability of the same mark in Kenya. The decision of the Registrar is

to the effect that Registration of a trade mark in a foreign country is not a guarantee that the same mark is and shall be registrable in Kenya.

The Applicant noted that out of the twelve (12) Anglophone countries where the opponent's mark was registered, the certificates of registration produced showed that the opponent's mark had already expired in five (5) countries namely Bahamas, Barbados, Puerto Rico, Trinidad & Tobago and Dominica. The certificate of registration of the Opponent's Mark in the United Kingdom produced as exhibit RGM 1 bore the words 'Beers not for sale in the United Kingdom domestic market'.

The applicant further observed that the certificate of registration of the opponent's mark in the United States of America showed that the mark was registered in the USA on 17 August, 2010 after the matter had commenced. In summary, it appeared that the trade mark was only in force when the Notice of Opposition was filed and continued to be in force in five (5) Anglophone countries only namely Belize, Turks & Caicos Islands, British Virgin Islands, Cayman Islands and Jamaica.

The applicant further submitted that mere registration did not translate to proof of use of a mark and could not therefore prove that a mark was well known in the areas of registration. It was common practice for organizations to register trade marks and not use the same and this could explain why the opponent's mark had expired in various areas where no proof of renewal had been supplied.

Regarding section 15A(1), the Trade Marks Act, the applicant submitted that this provision referred to the protection of a mark that was first and foremost known in Kenya. The opponent's trade mark was not well known in Kenya and no evidence had been adduced to show that it was. The provisions of Section 15A did not therefore apply to the opponent as it had not shown that its mark was well known in Kenya.

The applicant submitted that though the Trade Marks Act did not detail criteria for determining whether a trade mark could be said to be a well known mark, guidance could be found in the International Trade Mark

Association's (INTA) Resolution of Well-Known Marks, which had endorsed consideration of the following criteria for establishing a well known mark:

- The amount of local or worldwide recognition of the mark;
- The degree of inherent or acquired distinctiveness of the mark;
- The local or worldwide duration of use and advertising of the mark;
- The local or worldwide commercial value attributed to the mark;
- The local or worldwide geographical scope of use and advertising;
- The local or worldwide quality image that the mark has acquired;
- The local or worldwide exclusivity of use and registration attained by the mark, and the presence or absence of identical or similar third party marks validly registered for or used on identical or similar goods and services.

The applicant also referred to the WIPO Joint Recommendation Concerning Provisions on the Protection of Well Known Marks which set out further guidelines on determination of well known marks.

The applicant submitted that though the opponent claimed that PRESIDENTE qualified as a well known mark on the ground of duration and geographical area of any registration and/or any applications for registration, the exhibits submitted in support showed certificates of registrations primarily in non-Anglophone countries. Five (5) out of the twelve (12) certificates of registration produced in respect of the Anglophone Countries showed that the opponent's mark had expired in those countries. Further, the registration in the United Kingdom showed that the beer bearing the opponent's mark was not for sale in the United Kingdom and the registration in the USA was done after the present matter was filed at the Registry.

In support of its submissions, the applicant relied on *Independent Tobacco FZE v Rothmans of Pall Mall, Unilever plc v Emami Limited* and *In the Matter of Application to Register TMA No. 50149 Sensations (Word & Device) in Class 26 in the Name of Stripes Limited and Opposition thereto by Hair Zone, Inv.*

The applicant further submitted that the figures on the net operating revenue made by the opponent from the sale of PRESIDENTE were quite low

in relation to the thirty four (34) countries referred to.

Finally, with regard to the opponent's claim that PRESIDENTE qualified as a well known mark on the ground of knowledge or recognition of the mark in the relevant sector of the public, the applicant submitted that the opponent had not shown that a substantial number of persons were aware of the opponent's mark in Kenya especially taking into consideration that the word was not an English word yet Kenya was an Anglophone Country. The applicant, on the other hand, as shown by the promotions and newspapers extract AM 1 and AM 2 had showed that the applicant's mark (English word) was well known in Kenya.

For these reasons, the applicant submitted that the opponent's mark PRESIDENTE was not well known in Kenya and that argument must therefore fail.

Regarding the question of similarity between the marks, the applicant submitted that the applicant's and opponent's marks should be looked at as a whole and that the words should not be fragmented into parts. In support of the aforesaid, the applicant made reference to *Kerly's Law on Trade Marks*, 14th Edition, Paragraph 17-036. The applicant submitted that the opponent's submissions which were based on fragmentation of the opponent's mark for the purposes of comparison with the applicant's mark could not therefore hold and should be disregarded.

On phonetic similarity, the applicant submitted that the applicant's mark PRESIDENT and the opponent's mark PRESIDENTE were different, firstly, because the applicant's mark had three syllables while that of the Opponent Mark had four, secondly, in the word PRESIDENT the syllables with emphasis were PRE-SI while in the word PRESIDENTE the syllables with emphasis were DEN-TE, thirdly, the English pronunciation and phonetics of the two words were different, and fourthly, to the common man's ear, the two words sounded different. The applicant also submitted that the applicant's mark was printed in upper case while the opponent's was in lower case and the opponent's mark was italicized while the applicant's was not.

In its support the applicant referred once again to *In The Matter of*

Application to Register TMA No. 50149 Sensations in Class 26 in the name of Stripes Limited and Opposition thereto by Hair Zone, Inv.

On visual similarity, the applicant submitted that its marks in relation to the opponent's mark were different with the opponent's device taking the shape of a flower with four (4) equal size lobes in four opposite directions while the applicant's mark was just a word, the opponent's mark being black in colour, on a white back ground while that of the applicant was dark blue in colour and on a light blue back ground. The applicant's mark in TMA 64107 was just a word while the opponent's device was mounted on a maroon back ground and contained the words 'Cerveza Tipo Pilsener Elaborada en la Republica Dominicana' and 'Cerveza Pilsener Beer Brewed in the Dominican Republic' together with a device bearing a short barley ear at the top. In view of these differences and further taking the marks as a whole without dismembering them, the applicant submitted that its marks were visually different from the opponent's mark.

On conceptual similarity, the applicant submitted that the applicant's mark was in the Spanish Language (sic) while Kenya was an Anglophone country and that, in view of the aforesaid, the meaning of the words and the underlying concept was not clear as it was affected by the language barrier. Therefore, the conceptual similarity could not be presumed as it was based on whether a specific consumer in question was conversant with Spanish or English.

On resemblance likely to deceive or cause confusion, the applicant submitted that the law required that there had to be a likelihood of confusion of the marks by the relevant sector of the public for the opponent to succeed. The applicant submitted that in the present case, and having discussed the absence of phonetic, visual and conceptual similarity, there was no resemblance that was likely to cause confusion.

The applicant further submitted that the Trade Marks Act did not lay down any criteria for determining what was likely to deceive or cause confusion and that therefore reference had to be made to authorities that lay down certain tests to be applied in determining what was likely to deceive or cause confusion. In this regard, the applicant relied on *Unilever plc Vs Emami*

Limited and British American Tobacco Kenya Ltd v. Cut Tobacco Kenya Ltd.

On whether its conduct was in bad faith, the applicant submitted that it had applied for registration of the trade mark PRESIDENT in the ordinary course of its business and that it had previously come up with various other trade marks of beer that had also done well in the local market and in other markets that the company exported its products to. These trade marks included TM 57230 SENATOR LAGER, TM 64334 DEMOCRAT, and TM 40849 CITIZEN LAGER LABEL. These marks were words that referred to political positions in government and in the same way the applicant had applied for the independent registration of the word PRESIDENT that also made reference to a political position in government.

As evidenced by the trade mark numbers, the applicant submitted that it was clear that the trade marks had been registered in some hierarchical manner, starting with the lowest position of a citizen and completing the same with the position of a President. The applicant had not been driven by malice or bad faith and as could be shown, the registration was part of a series and sequence of related registrations that were not geared to relate and have no relation whatsoever with the Opponent's Mark PRESIDENTE.

In support of this proposition, the applicant referred to *Unilever plc Vs Emami Limited*, where the Registrar stated that

A finding of mala fides or fraud is a finding of fact, and evidence must be led to prove such an allegation. I find that there was no evidence adduced to prove an intention of bad faith, fraudulent intent or mala fides in the Registered Proprietor at the time of making its application for registration. It is not enough for the Applicant to submit that the Registered Proprietor 'must have been aware of the Unilever marks'.

The applicant submitted that in the present case therefore, the opponent had failed to establish that there was bad faith or intent thereof thus confirming the applicant's submissions that the applicant was not acting in bad faith and did not have any reason or intention to act in bad faith during the application to register its PRESIDENT marks.

For the above reasons and submissions, the evidence filed and the list of authorities provided, the applicant prayed that the Registrar disallow the oppositions and order the registration of the trade marks with costs to the applicant.

OPPONENT'S SUBMISSIONS IN REPLY

On 28 June 2012, the opponent filed its submissions in reply in which it stated, *inter alia*, that the facts set out in the applicant's submissions regarding its listing on the Nairobi Securities Exchange, its operations in Eastern Africa and its other brands under which it marketed beer were not relevant to the present proceedings and had no bearing on the issue at hand which was whether the applicant's marks were confusingly similar to the opponent's PRESIDENTE mark. Further, that the applicant's use of its PRESIDENT mark in advertisements and on its retail outlets did not excuse or justify the fact that that mark was confusingly similar to the opponent's prior and famous PRESIDENTE trade mark.

On the issue of whether the PRESIDENTE mark had been registered in Kenya, the opponent stated that it had never asserted that its mark was registered in Kenya and its adduction of evidence of registration of its PRESIDENTE mark in various jurisdictions around the world was not made with a view to asserting that such registrations applied in Kenya but to showing that the mark was an established international brand, a pertinent factor in helping determine whether a mark was famous and therefore entitled to protection under section 15A, the Trade Marks Act.

With regard to the lack of evidence of sales or awareness of the opponent's PRESIDENTE brand in Kenya, East Africa or even Africa at large, the opponent responded that the world had in many factual respects become a global village with information being disseminated faster than ever before through the internet where the opponent hosted its website: www.presidente-beer.com.

Further, that vast technological advancements in the field of aviation transportation had translated into an exponential increase in international travel volumes in and out of Kenya from and to the various jurisdictions where the PRESIDENTE brand was marketed respectively. As a result, consumers in Kenya

(whether they be Kenya residents or not) were now, more than ever, familiar with brands that existed internationally in various jurisdictions even where the same did not exist here in Kenya and that this was particularly true in cases such as the present one where the commodity in question was marketed and sold in jurisdictions that were premier tourist destinations.

The opponent submitted that the fact remained that the applicant's PRESIDENT brand was confusingly similar to the opponent's prior PRESIDENTE brand regardless of the fact that the two words belonged to different languages and that speakers of one language may not be fluent in the other. The question for determination was whether there was a reasonable likelihood of confusion of the two marks when they were compared together.

Regarding the fact that some of the certificates of registration of the opponent's PRESIDENTE mark indicated that such registrations had expired, the opponent submitted that this did not mean that the PRESIDENTE trade mark was not well known. The requirement for proving that a mark was well known did not hinge on the continuing validity/currency of the registration since expired registrations could always be renewed provided that the mark was still available. Further, the fact that the trade mark registration certificate issued in the United Kingdom specified that the trade mark protection obtained under Class 32 was only for beers sold outside the United Kingdom did not preclude the sale of PRESIDENTE beer in the UK and in any event did not void the validity of that registration in the United Kingdom. Further, the fact that the registration in the United States was granted in 2010, after the proceedings commenced, did not render that registration irrelevant in these proceedings.

With regard to the applicant's conclusion that the opponent's marks had expired and not been renewed as a result of not being in use, the opponent submitted that this was speculative and not based on any factual evidence produced by the applicant. The evidence of sales volumes and revenues, which had not been challenged by the applicant, pointed to a wide usage and popularity of the PRESIDENTE brand. It was therefore not feasible for the applicant to assert that there had been no use of the opponent's PRESIDENTE brand in the jurisdictions in which it was registered.

Regarding the applicant's reliance on *Independent Tobacco FZE v Rothmans of Pall Mall* in support of its case, the opponent submitted that the pertinent factor of technological advancements leading to increased international travel and heightened levels of ease of the dissemination information was not centrally considered and it was the opponent's submission that had this factor been considered and due and sufficient weight given to it, a different determination might have been arrived at by the Registrar. Further, in the case of *Unilever Plc v Emami Limited*, also relied on by the applicant the consideration on technological advancement was also not made.

With regard to the applicant's assertion that the sales volumes of PRESIDENTE were low, the opponent submitted that the applicant had not adduced evidence or taken into consideration any pricing modules that applied in the various countries in which the PRESIDENTE beer was sold. Further, and without prejudice to the above, the average monthly revenue figure of US\$ 62,628.25 (approximately Kshs 5,260, 752/-) could hardly be deemed to be an insignificant figure.

With regard to the applicant's argument that the opponent's analysis of the marks resulted in a fragmentation of any of them, the opponent submitted that the two marks were virtually identical in all respects. They bore a visual, conceptual and phonetic similarity and a mention of the applicant's mark in relation to beer would immediately trigger a remembrance of the opponent's mark in the mind of persons familiar with both brands. In any event, a comparison of the whole of both marks did not aid the applicant's case as there was simply no escaping the fact that its marks were virtually identical to the opponent's prior mark.

The opponent further submitted that the applications were made by the applicant with respect to both word and device and that while there were many slight visual variations of the applicant's mark as compared to the opponent's marks as set out in the applicant's submissions, these were not sufficient to take away from overall impression that was left in the minds of the public after seeing both brands bearing almost identical names. Indeed, so insignificant were the variations cited by the applicant that the public may be minded to take them to be normal trade variations employed by manufacturers who were diversifying their brand.

With regard to conceptual similarity, the opponent urged the Registrar to reject the applicant's assertion that the conceptual similarity was lost in translating the word PRESIDENTE to PRESIDENT. A person of average intelligence would at the very least draw a connection between the two words without necessarily having an understanding of both English and Spanish.

On the issue of resemblance likely to cause confusion, the opponent reasserted its earlier submission and asserted that while it was generally accepted that beer drinkers and smokers tended to stick to their own brand it could not be ignored that the similarity of the marks was such that persons who were familiar with both marks might reasonably question whether the two were connected or associated. This sufficed for purposes of leading to a reasonable likelihood of confusion and disentitled the applicant's mark as far as registration was concerned.

The opponent reiterated that the virtually identical nature of the offending marks when compared to the opponent's prior and famous mark could not be wished away. Only a light or casual examination of the circumstances of this case could lead to the conclusion that the applicant's selection of a mark that was virtually identical to a famous mark was a coincidence.

Further, the crediting of the selection of the mark PRESIDENT by the applicant to a system of naming its beer brands after governmental or political terminologies did not excuse the fact it selected a confusingly similar mark for its brand of beer.

Following the close of submissions, the parties were invited before the Registrar on 18 June 2013 for highlighting of their submissions. Both parties appeared on the said date and highlighted their submissions before the Registrar.

THE ISSUES TO BE DETERMINED

The opponent herein opposes the registration of the applicant's two trade marks PRESIDENT (word) and PRESIDENT SPECIAL EDITION LAGER (word and device) on the grounds that the marks resemble its well known PRESIDENTE (word and device) mark, that their use would cause confusion and deception among consumers between its goods and those of the applicant, that registration of the marks would be contrary to sections 14 and 15A of the Trade Marks Act and that the

applications were made in bad faith.

The applicant, on the other hand, argues that its marks have acquired their own good will, that their registration will not endanger the opponent's trade mark as the two marks were not likely to deceive or cause confusion, that the opposition is actuated by bad faith and that the opponent has not proved registration of its mark, or even usage, in Kenya.

Having carefully read through all the evidence on record, the submissions filed, the authorities submitted in support of the respective positions and listened to the parties' highlighting of their submissions, I find the following to be the key issues for determination:

1. Is the opponent's PRESIDENTE trade mark sufficiently well known to merit protection in Kenya under section 15A?
2. Are the applicant's PRESIDENT trade marks similar to the opponent's PRESIDENTE trade mark as to be likely to deceive or cause confusion contrary to the provisions of section 14?
3. Are the goods on which the applicant uses its trade marks similar to the goods on which the opponent uses its mark?
4. Was the applicant's application made in bad faith?

1) Well known nature of the opponent's trade mark.

This issue was raised by the opponent and addressed in detail by both parties. The applicable provisions of the law are to be found in section 15A of the Trade Marks Act which provide:

(1) References in this Act to a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark, are to a mark which is well known in Kenya as being the mark of a person who-

- a) Is a national of a convention country; or
- b) Is domiciled in, or has a real and effective industrial or commercial establishment in, a convention country, whether or not that person carries on business or has any goodwill in Kenya.

...

(4) 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 opponent's mark is well known, not just globally but also in Kenya, 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 opponent's 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.'

The useful factors to be considered in this regard are set out in the Joint Recommendations concerning Provisions on the Protection of Well Known Marks adopted by the WIPO Assembly in 1999, which was referred to by both parties. Though not binding on Kenyan courts, these guide lines have been adopted and applied by the Registrar in similar cases.

These factors include:

- The degree of knowledge or recognition of the mark in the relevant sector,
- The duration and extent of geographical area of use of the mark,
- The duration of promotion of the mark in respect to the goods to which the mark applies,
- The duration and geographical area of any registrations and /or applications for registration,
- The record of successful enforcement of rights, and
- The value associated with the mark.

In support of its contention that its mark was well known, the opponent relied on Exhibit RGM1, which comprised of Certificates of Registration of the PRESIDENTE

Trade Mark issued in France, Portugal, Guatemala, Italy, Panama and the United Kingdom. The opponent further adduced evidence that its PRESIDENTE trade mark was registered in over 50 countries and had trade mark registration applications pending in several other countries around the world. In support of this, the opponent relied on Exhibit BK2, which comprised of Certificates of Registration of the PRESIDENTE trade mark from various jurisdictions worldwide and their translations.

The opponent also submitted that despite the fact that it did not have a registration for PRESIDENTE (word and device) in Kenya, the unauthorized use of an identical mark for an identical product was contrary to and offended Article 6 bis of the Paris Convention.

In addition, the opponent stated that its products branded with its PRESIDENTE mark had been aggressively marketed in the said regions with the result that significantly high sales of the PRESIDENTE beer had been registered internationally. Lastly, the opponent argued that due to technological advances in travel and the development of the internet, there were consumers in Kenya who would know of the existence of its PRESIDENTE brand of beer.

In response, the applicant argued that the opponent's mark PRESIDENTE had not been registered in Kenya and no evidence had been produced by the opponent to suggest the contrary. Further, that the opponent's mark was not in use in Kenya either by way of advertisement or on sale of products and it was clear that the opponent had not related its mark with Kenya. There was no evidence of registration of the opponent's mark in Kenya, there was no evidence in support of use of labels bearing the opponent's mark in Kenya and no sales figures have been produced to show that any products have been sold in Kenya bearing the label of the opponent's mark. That it should also be noted that no evidence had been produced to relate the opponent's mark to sales or consumer awareness in Kenya, East Africa or even in Africa at large.

The applicant further submitted that in as far as registration of a trade mark in foreign countries was concerned, the same was not a guarantee of registration in Kenya. In this regard, it relied on *Independent Tobacco FZE v*

Rothmans of Pall Mall, where the Registrar found that the absence of proof of the degree of knowledge or recognition of the mark in relevant sector of the Kenyan market was one of the most important criteria for a mark to be said to be well known. In that case, the fact that registration of the mark had been secured in various other countries was not enough to prove that the mark was well known to the relevant sector of the Kenyan Public.

On this issue, I find myself in agreement with arguments advanced by counsel for the applicant to the effect that the opponent did not provide sufficient evidence to prove that its mark is well known by the relevant sector of the public in Kenya. The evidence adduced with regard to the registrations obtained in other parts of the world as well as the sales of its beer in those regions was not relevant on the issue of repute in Kenya. Likewise, the arguments relying on the *Westincafe case* are not persuasive and neither are the arguments made regarding the technological advances in travel and the opponent's presence on the internet. The opponent has posited that Kenyans have travelled to areas where PRESIDENTE is sold and that foreigners from countries where PRESIDENTE is sold have visited Kenya without providing any evidence of the extent of this travel. In this regard, I echo the Registrar's words in *Independent Tobacco v Rothmans of Pall Mall* that proof of knowledge or recognition in Kenya is key.

In this case, the opponent has failed to prove that it has made extensive, or indeed any, use of its mark in Kenya. In light of this, I find that the opponent has failed to establish that its mark is indeed well known in Kenya so as to satisfy the provisions of section 15A(1), Trade Marks Act.

2) Similarity of the marks likely to deceive or cause confusion

Section 14 of the 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."

On this issue, the opponent argued that the applicant's PRESIDENT trade mark so

closely resembles its PRESIDENTE trade mark that its registration and use was likely to deceive or cause confusion, thus disentitling it from protection in a court of justice and rendering it unregistrable under section 14 and that the similarity of the applicant's mark to the opponent's mark was likely to cause consumers and persons familiar with the opponent's well known brand to infer some connection between the applicant's PRESIDENT labelled products and the opponent's PRESIDENTE labelled products in the course of trade and/or infer that the applicant and the opponent were somehow associated in the course of trade.

On the other hand, the applicant argued that its PRESIDENT mark and the opponent's PRESIDENTE Mark were different phonetically, visually and conceptually.

It is clear that the three marks here are not identical. The principles governing the comparison of the trade marks are well entrenched in the case of *Pianotist Co's Application* (1906) 23 R.P.C wherein it was held in part by Lord Parker that "You must take the two words. You must judge them by their look and by their sound..."

In the case of *Sabel v Puma AG* (Case C-251/95) the ECJ said in part that:

...The likelihood of confusion must be appreciated globally taking into account all factors relevant to the circumstances of the case... That global appreciation of the visual, aural or conceptual similarity of the marks in question must be based upon the overall impression given by the marks bearing in mind in particular their distinctive and dominant components...

Using the above dicta and the authorities in relation to the issue of similarity of the marks, I analyse these factors as follows:

Visual similarity

The marks in question herein are PRESIDENTE which is the opponent's word and device mark and PRESIDENT (word) and PRESIDENT SPECIAL EDITION LAGER (word and device) which are the applicant's marks. On visual similarity, I am in agreement with the opponent that, taken as a whole, the marks are visually similar, especially in the dominant elements thereof, which are the words PRESIDENTE and PRESIDENT respectively, even though there are differences in the device elements.

Phonetic similarity

On the phonetics, the word PRESIDENTE and PRESIDENT are not phonetically identical. The pronunciation given to these words is different in their respective languages. However, I am in agreement with the opponent that ordinary consumers in Kenya would be likely to pronounce the words in a similar manner.

Conceptual similarity

On this issue, I am again in agreement with the opponent that the concept that is behind both marks is prestige, class and/or authority. The meaning and the concept that is conveyed by both the applicant's PRESIDENT mark and the opponent's PRESIDENTE mark is the same whether in English or in Spanish.

Having established that there is indeed a similarity between the marks, the next question is whether the opposed marks are likely to deceive or cause confusion to the purchasing public. In order to determine this issue the test applied is that of the average consumer who:

- a) normally perceives a mark as a whole and does not proceed to analyze its various details;
- b) rarely has the chance to make a direct comparison between two marks but relies on imperfect recollection of that which is in his mind; and
- c) level of attention varies depending on the category of goods or services

These points were elaborated in *Canon Kabushiki Kaisha v Metro Goldwyn*.

As correctly stated by the applicant, trade mark registration is territorial in nature. In this instance, the opponent did not provide any proof of use of the mark in Kenya whatsoever. Moreover, as discussed above, the opponent's mark is not well known in Kenya. The average consumer is therefore unlikely to find himself in a situation where he will encounter the opponent's products in the market.

Allowing the opposition to succeed on this ground when there is no evidence of use or availability of the PRESIDENTE beer on the market, would therefore completely undermine the territoriality principle in that an opponent would be able to prevent the registration of a mark that is not present locally on the grounds of use in some other jurisdiction and on the hypothetical possibility that consumers might be deceived or confused.

The argument advanced by the opponent that the similarity of the marks was such that persons who were familiar with both marks might reasonably question whether the two were connected or associated alone is not persuasive in the absence of a market presence or sufficient evidence that the numbers of such persons rise beyond a *de minimis* level, which as noted above the opponent did not provide.

I am therefore in agreement with the applicant that there is no likelihood of confusion in the Kenyan market as would disentitle the mark from protection in a court of justice as provided by section 14 of the Trade Marks Act.

3) Similarity of the Goods

This is an issue that was identified by the opponent and which may be disposed of fairly briefly. Trade mark application 64107 PRESIDENT was filed in relation to goods in classes 32 and 33 while application 64506 was filed in relation to lager in class 32. From the various certificates on record, the opponent's mark, on the other hand, would appear to have been registered primarily for beers in class 32 though in some countries such as the Virgin Islands, Dominica and the Dominican Republic, the system of classification used would appear to be different and the class specified different though the goods are listed as beers.

I should also mention that the certificate for Puerto Rico does not specify the goods with respect to which the mark is registered though reference is made to an annexed statement which is not included.

Be that as it may, I am satisfied that the opposed marks and the opponent's marks are used for similar goods.

4) Whether the applications were made in bad faith

On this issue, the opponent submitted that its mark was a well known mark that had a significant reputation owing to the wide distributorship of the beer products upon which it was applied in diverse locations that were known for their tourism appeal, that the applicant had in effect modified the opponent's mark ever so slightly and now applied for registration of a mark substantially similar to the opponent's mark. The opponent invited the Registrar to make a finding of bad faith

on the applicant's part in this regard.

The applicant, on the other hand, argued that it had applied for registration of the trade mark PRESIDENT in the ordinary course of its business, that it had previously come up with various other trade marks of beer that had also done well in the local market and in other markets that the company exported its products to. These trade marks included: Senator Lager, Democrat and Citizen Lager Label. Further, it had independently registered the above marks that were words that referred to political positions in government and in the same way the applicant had applied for the independent registration of the word PRESIDENT that also makes reference to a political position in government.

Having carefully analyzed the applicant's and the opponent's submissions and the evidence tabled before me on this issue, I find that the evidence adduced by the opponent is not sufficient to prove an intention of bad faith by the applicant in making the application for registration of its mark. As stated by the Registrar in *Unilever v Emami*, a finding of mala fides is a finding of fact and evidence to this effect must be adduced, which the opponent has not done. I am satisfied that there are adequate grounds to believe that the applicant came up with the PRESIDENT mark in the ordinary course of its business. Though the possibility does exist that the applicant was aware of the opponent's mark, I am satisfied that the applications were not motivated by any desire to take unfair advantage of the opponent's mark.

Evidence

A final issue that I would wish to address concerns the evidence placed before me by the parties, specifically, the exhibits annexed to the statutory declarations. Rule 9 of the Oaths and Statutory Declarations Rules clearly states as follows:

All exhibits to affidavits shall be securely sealed thereto under the seal of the commissioner, and shall be marked with serial letters of identification.

This is a mandatory provision of law. All exhibits presented before the Registrar by the opponent in its statutory declaration dated 2 April 2010 and by the

applicant in its statutory declaration dated 14 September 2010 were only marked in print instead of being sealed as required by the law. As such, an issue arises as to the admissibility of these exhibits. However, in the interest of justice and owing to the fact that the issue affected both parties, I took them into consideration in arriving at my decision. Parties are, however, cautioned against a repetition of the same since this may lead to non admission of their evidence.

DECISION

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

1. The opponent has not established that its mark is a well known trade mark entitled to protection under the provisions of section 15A;
2. The opposed marks are not prohibited from registration under the provisions of section 14;
3. The goods on which the opponent's mark and the opposed marks are used are similar in nature;
4. The opposed applications were not made in bad faith;
5. The opponent's opposition to the registration of the applicant's applications TMA Nos. 64107 and 64506 hereby fails and registration of the said marks shall be allowed proceed.
6. Costs of these proceedings are awarded to the applicant.

The opponent has the right to appeal against this decision within sixty days from the date hereof.

Ruling dated and delivered at Nairobi this 27th day of August 2013


Dr. Henry Kibet Mutai
Managing Director