

REPUBLIC OF KENYA

KENYA INDUSTRIAL PROPERTY INSTITUTE

IN THE MATTER OF THE TRADE MARKS ACT, CAP 506 AND

IN THE MATTER OF TRADE MARK APPLICATION NO. KE/T/2010/67828 (circular device)

IN THE NAME OF BRITISH AMERICAN TOBACCO KENYA LTD

AND OPPOSITION THERETO BY

PHILIP MORRIS PRODUCTS SA

RULING

INTRODUCTION

This is an opposition matter filed by the opponent, Philip Morris Products SA , against the registration of trade mark application number KE/T/2010/0067828 (circular device), in the name of the applicant British American Tobacco Kenya Ltd.

PROCEDURAL HISTORY

On 26 March 2010, the applicant herein, British American Tobacco Kenya, Ltd., filed an application for the registration of a circular device trade mark, referred to by the applicant in its correspondence as a Bulls-Eye device, in class 34 for Cigarettes; tobacco; tobacco products, lighters; matches; smokers' articles. The application was duly examined and, by a letter dated 4 May 2010, approved for advertisement. Subsequently the application was advertised in the Industrial Property Journal of 31 May 2010.

On 28 July 2010, an application was received from M/S Simba & Simba Advocates seeking an extension of time to file opposition in order to give their client, Philip Morris SA, adequate time to file a notice of opposition which they were in the process of compiling. An extension of time to 28 September 2010 was consequently granted. Subsequently, on 15 September 2010, a second application for extension of time was received, again on the ground of giving the opponent time to file a notice of opposition. Extension was granted to 28 October 2010.

Thereafter, on 27 October 2010, Philip Morris Products SA filed a notice of opposition dated 25 October 2010 against the registration of the trade mark. The grounds on which the opposition was based were, *inter alia*, that geometric shapes constituted elements of numerous marks and were widely used throughout the world, that as a result of that use, circles, ovals and squares were not distinctive elements and did not qualify on their own for protection as trade marks, that geometric shapes were found in numerous entries on the Kenyan trade mark Register in class 34, that the applicant's mark consisted of a circle device with a border only and the addition of the border did not render the mark distinctive, that the applicant's mark could be regarded as a pictorial representation of the goods "cigarettes" and therefore generic in relation to the goods for which protection was sought and that the registration of the mark would contravene sections 12(2), 14 and 15(1) of the Trade Marks Act.

The Notice of Opposition further stated that the mark was not capable of distinguishing the goods of the opponent from those of other traders, that it was in all material aspects visually identical to other circle and oval elements of other marks, that the applicant's claim to be proprietor of the mark was not true and that for those reasons the applicant's mark ought to be refused. Attached to the Notice was an Annex marked 'A' comprising four pages showing 39 representations of various trade marks.

The Notice of Opposition was duly forwarded to the applicant's agents who, on 8 December 2010, filed an application for extension of time to file a counter-statement on the ground that their client was still evaluating the same. An extension of time to 14 February 2011 was duly granted.

On 11 February 2011, the applicant filed its counter-statement supporting its application, in which it stated, *inter alia*, that it was the owner of the trade mark the subject of the present application, that it denied that the mark was confusingly similar to any of the marks relied on by the opponent, that shapes such as circles, ovals and squares were registrable under the Kenyan Trade Marks Act and had been recognised as being distinctive enough to qualify for registration, that the opposed mark was a distinctive device mark comprising four concentric circles radiating from a central disc, which taken as a whole was distinguishable from other marks in class 34, and that the applicant's mark was quite different from any of the marks in Annex A to the Notice of Opposition.

The applicant further stated that the existence and possible use of the Annex A marks in other countries could not be a bar to the registration of the opposed trade mark in Kenya, it denied that any similar marks had been registered in Kenya and argued that the mark did not have to include any endorsement of colour limitation as it was not applied for in colours. The applicant further denied that the opposed mark could be interpreted as a pictorial representation of a cigarette, that the opposed mark was not distinctive, and it averred that it was entitled to apply for registration as the owner of the mark, that confusion or deception was not likely to arise from the registration of the opposed mark, that the opponent was not entitled to rely on sections 12(1), 14, and 15(1) of the Trade Mark Act and that the Notice of Opposition was defective in so far as it relied on section 15(1) without specifying the Kenyan registered marks on which the opponent was relying. For these reasons, the applicant prayed that the Notice of Opposition be dismissed with costs to the applicant.

The counter-statement was forwarded to the opponent by a letter dated 23 February 2011 in which it was requested to file its statutory declaration within 42 days of receipt of the letter. On 6 April 2011, the opponent's agents filed an application for extension of time within which to file the statutory declaration in order to give their client adequate time to compile the declaration. Two further extensions of time were thereafter applied for and granted.

On 6 July 2011, the opponent filed its statutory declaration sworn on its behalf by one of its senior counsel, Maria del Mar Oliva Galvan. In the declaration, Ms. Galvan averred, *inter alia*, that she was a senior counsel at the opponent in charge of and responsible for matters concerning trade marks registered in its name as well as opposition proceedings instituted by or on the opponent's behalf, that the opponent and its related companies had been engaged in the manufacture, sale and distribution of cigarettes throughout the world, including Kenya, for many years, that it manufactured and sold cigarettes under various brands, the most famous of which was the MARLBORO trade mark, and that owing to its longstanding use, extensive sales and marketing, MARLBORO was among the world's most valuable brands.

She further averred that geometric shapes constituted elements of numerous trade marks

throughout the world and as a result of their wide application, circles, ovals and squares were not distinctive elements and did not on their own qualify for protection as trade marks under Kenyan law, that this was illustrated by various samples of trade marks owned by various companies and registered in various countries shown on the annexed exhibit, that geometric shapes were found in numerous entries on the Kenyan Trade Mark Register in class 34, that the addition of a border did not render the applicant's mark distinctive, that the mark could be regarded as a pictorial representation of the goods "cigarettes" and that consumers would consider it as generic in relation to the goods for which protection was sought.

The deponent continued that the applicant's registration of a trade mark which was not distinctive and virtually identical to other marks registered in class 34 contravened the Act as it was not capable of distinguishing the opponent's goods, that the mark was visually identical to other circle and oval elements of other trade marks depicted, that the applicant had no claim in law or equity to own or use the mark, that the applicant was not the proprietor of the trade mark, and that for those reasons, the offending mark was not a trade or service mark of the applicant as defined in section 2(1) and the applicant was not entitled to apply for its registration under section 20(1).

Regarding the statements in the applicant's counter statement, the deponent averred that the registration of devices composed of circles, ovals, squares and other graphic representations of dots and lines required further additional elements or disclaimers, that the details of the colours given in the counter statement were not disclosed in the statement nor were they visually visible, hence the applicant had misled the Registrar by failing to disclose those details, and that the applicant was not the proprietor of the mark and that its attempt to register a mark which was not distinctive did not vest on it proprietorship and would amount to unlawful registration if allowed.

Annexed to the statutory declaration were a number of exhibits comprising:

MDM1 - copies of various documents attesting to the fame of the opponent's brands;

MDM2 - a schedule of MARLBORO and MARLBORO device marks registered in Kenya by the opponent;

MDM3 - copies of various trade marks used and/or registered internationally;

MDM4 - copies of registration certificates for 12 trade marks registered in Kenya.

For these reasons, the deponent prayed that the application be rejected and costs awarded to the opponent.

By a letter dated 19 July 2011, the statutory declaration was forwarded to the applicant with instructions to file its statutory declaration within forty two days of receipt of the letter. On 24 August 2011, the applicant's agents wrote to the Registry requesting an extension of time to allow their client adequate time to evaluate, amend and finalise its duly executed replying statutory declaration. The application was duly granted and time extended to 29 October 2011.

On 28 October 2011, the applicant filed its statutory declaration sworn on its behalf by Naushad Ramoly, its Area Legal Counsel. In the declaration, Mr. Ramoly averred, *inter alia*, that he was authorised to make the statutory declaration on behalf of the applicant, that he confirmed that the applicant was the owner of the opposed mark, that the opposed mark was not confusingly similar in overall visual appearance to any of the marks relied on by the opponent, that the opposed mark did not constitute a simple geometric figure but was a distinctive device mark comprised of four concentric circles of varying widths radiating from a central disc, that circles, ovals, squares, concentric circles and other graphic representations composed of dots and lines were registrable under the Kenya Trade Marks Act and had been recognised as being distinctive enough to qualify for registration, and that no confusion or deception was likely to arise from the registration of the opposed mark and use of it by the applicant in relation to goods in class 34.

The deponent further averred that having regard to the inherently distinctive character of the opposed mark, the opposed mark was a trade mark under section 2(1) and that the applicant was entitled to apply for its registration as owner under section 20(1), that the existence and possible use of marks in other countries could not be a bar to the registration in Kenya of the opposed mark, and that the opponent was not entitled to rely on the provisions of sections 14 or 15(1), Trade Marks Act to prevent registration of the opposed mark on the grounds set out in the Notice of Opposition.

With regard to the opponent's statutory declaration, the deponent averred, *inter alia*, that the fact that the opponent had been engaged in the manufacture, sale and distribution of cigarettes throughout the world was irrelevant to the opposition, that the MARLBORO trade mark was also irrelevant as it was not the mark sought to be registered nor was it similar to

the opposed mark, that the fact that various marks reflected in MDM3 had been registered did not support the conclusion that circles, ovals, squares and lines on their own were not distinctive enough to qualify for registration, that the marks in MDM3 were registered in other countries and were in any case irrelevant to an opposition to the application for the opposed mark, that the argument that the opposed mark could be regarded as a pictorial representation of a cigarette was subjective and far-fetched, that there was no connection between the opposed mark and the goods in class 34 referred to in the specification in the application, that the assertion by the opponent that the colours of the opposed mark had to be disclosed in the application was incorrect and legally untenable and that the applicant was entitled to apply for registration of the mark in black and white.

Attached to the applicant's statutory declaration were a number of exhibits comprising:

NR1 - copies of printouts of various local and Madrid trade marks;

NR2 - copies of printouts of various Madrid marks.

By a letter dated 8 November 2011, the applicant's statutory declaration was forwarded to the opponent with instructions to file its statutory declaration in reply, if any, within thirty days of receipt. On 7 December 2011, the opponent sought for and was granted a thirty day extension to 7 January 2012 within which to file its reply. On 7 January, the opponent's agents sought another thirty day extension on the ground that their client needed adequate time to file its "Notice of Opposition" (sic). The application was duly granted. On 1 February, the agents sought another extension on the same grounds. An extension to 9 March was duly granted.

On 9 March 2012, the opponent filed its statutory declaration in reply sworn on its behalf by Deon Bouwer, the director of the South African law firm responsible for the maintenance and protection of Philip Morris Products trade marks in several jurisdictions in Africa, including Kenya. In the declaration the deponent averred, *inter alia*, that it was a settled principle of law that a person could not be registered as proprietor of a mark unless he could make a genuine claim of proprietorship, that the opposed mark was in all material aspects visually identical to other circle and oval elements of the marks depicted in Annex A to the Notice of Opposition and Exhibit MDM3 of the opponent's statutory declaration, that none of the marks on which the applicant placed reliance related to class 34 or

contradicted the evidence in Annex MDM3, and that the opposed mark was not fanciful or not indicative of the goods referred to in the goods specification.

The deponent further denied that the opposed mark was not identical or confusingly similar with other marks used or registered for goods in class 34 and submitted that evidence adduced by the opponent proved the contrary. He averred that if the Registrar permitted registration of the offending mark it would mean that the applicant could prevent other cigarette manufacturers from using circles which were the same or confusingly similar to the offending mark in relation to their tobacco and related products, that circles were basic common place shapes which no person should have a monopoly over and that the evidence submitted by the opponent showed that the opposed mark was confusingly similar to trade marks registered in Kenya and used in the tobacco trade and that the application was contrary to the provisions of sections 12(2), 14 and 15(1) of the Trade Marks Act. For these reasons, the deponent prayed that the application be rejected with costs to the opponent.

Thereafter, the parties were invited to fix a mutually convenient date for hearing of the matter. Hearing of the matter was fixed for 18 September 2012 but by a letter dated 5 September 2012, the Registry was informed that the parties had agreed to file written submissions.

I turn now to the submissions filed by the parties.

OPPONENT'S WRITTEN SUBMISSIONS

The opponent's written submissions dated 1 October 2012 and filed on 2 October 2012 started with a brief summary of the documents filed in the matter. It stated that it was a corporation duly organised and incorporated under the laws of Switzerland and that it and its related companies were engaged in the manufacture, sale and distribution of cigarettes under various brands, the most well-known of which was MARLBORO. The opponent further stated that the opposed mark as advertised in the Industrial Property Journal was a "Circle Device" with a border only, rendering it devoid of any distinctiveness. It was the opponent's submission that the opposed mark was thus not distinctive enough to distinguish the applicant's products from those of other traders, including the opponent, in the same market.

The opponent submitted that the issues for determination were, firstly, whether the opposed mark was distinctive enough to distinguish the applicant's goods in the course of trade, secondly, whether the opposed mark was likely to cause confusion to consumers and, thirdly, whether the opposed mark was registrable under Part II of the Trade Marks Act.

On the issue of whether the opposed mark was distinctive enough to distinguish the applicant's goods, the opponent submitted that distinctiveness was a cardinal requirement which determined whether or not a proposed mark was registrable. In support of this proposition, the opponent referred to section 2(1) of the Trade Marks Act defining a trade mark, as well as to sections 12(1)(e) and 12(2) of the Act.

It submitted that the opposed mark lacked a distinctive character as required by law and should not proceed to registration. It continued that the question of whether a mark was distinctive was a question of fact to be answered while bearing in mind whether the mark would be able to distinguish the goods of the proposed proprietor from those of other traders in the market.

The opponent submitted that in this case, consumers would not be able to associate the goods or products sold with the applicant. It argued that the opposed mark was akin to a pictorial representation of the top of a cigarette stick and that an average consumer viewed a mark as a whole and did not proceed to analyse the different particulars of the mark. In support of this proposition, it referred to *Sabel BV v Puma AG*, 1998 RPC 199, 1998 ETMR 1 (1997).

The opponent argued that the opposed mark was devoid of any character of any immediate, inherent or acquired distinctive character and had no imaginative features usually associated with trade marks and remained descriptive of the product being offered for sale. It thus posed a danger of likelihood of confusion to the consuming public. It noted that the consuming public in this case would be smokers who, while generally sticking to their own brand of cigarette, still remained average customers who relied on the overall presentation of the packaging of cigarettes.

Referring to *Parle Products (P) Ltd v J. P. & Co. Mysore*, 1972 AIR 1359, the opponent argued that an average customer should not be equated to Sherlock Holmes with the ability to render much scrutiny when it came to marks used on products. It further submitted that the incorporation of basic shapes such as circles and ovals alongside other distinctive

elements in a trade mark had become customary in trade marks used by traders in the tobacco industry.

In support, it referred to *Halsbury's Laws of England* (4th Edition, 2000 Reissue) Vol. 48, Trade Marks and Trade Names at paragraph 56 which states, *inter alia*, that trade marks which are devoid of any distinctive character may not be registered. It submitted that the opposed mark was a pictorial representation of the top part of a cigarette and consisted of common shapes (circles) which had become a common feature in the packaging of tobacco products. It was thus descriptive of goods in class 34.

In further support, the opponent referred to *Kerly's Law of Trade Marks and Trade Names* (14th Edition, 2005) at page 165 and to the European Court of Justice decision in *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* (2000) FSR 77 where the court stated, *inter alia*, that in determining distinctiveness it was necessary to make a global assessment of the capacity of the mark to identify the goods as coming from a particular source.

On the issue of whether the opposed mark was likely to cause confusion to consumers, the opponent submitted that in the absence of a distinctive character, the opposed mark was likely to cause confusion as to the correct source of products or goods offered for sale or marketed under it. It further submitted that the opposed mark was similar to cigarettes under class 34. It was thus descriptive of the goods and this would be a clear source of confusion as the applicant was not the only trader dealing with goods in class 34 and in particular cigarettes.

On the test to be used for determining confusion, the opponent referred to the criteria in *Halsbury's Laws of England* Vol. 48, Trade Marks and Trade Names at paragraph 52 and to the decision in *Sabel BV v Puma AG* where the court stated, *inter alia*, that in determining likelihood of confusion, the court must focus on the overall impression made by the respective signs and not isolate one element out of a graphic ensemble.

The opponent argued that in the event that the opposed mark was registered, the applicant would be entitled to the exclusive use of the circle device in regard to goods in class 34. It argued that section 14 of the Trade Marks Act prohibited the registration of a mark or a part thereof that would be likely to cause confusion and it was its submission that the opposed mark would be unlawful under that provision.

On the issue of whether the opposed mark was registrable under Part II of the Trade Marks

Act, the opponent submitted that the opposed mark was a simple geometric shape which was not restricted to any specific colours and that therefore the absence of a colour limitation did not add to or introduce distinctiveness.

The opponent further submitted that the opposition proceedings were brought under the provisions of section 21(2), Trade Marks Act and that though the opponent had no mark currently on the register that was similar to the opposed mark, it had registered several marks which had incorporated simple geometric shapes, including circles. The opponent submitted that the opposed mark had no disclaimer regarding either the simple geometric shapes or the combination thereof, thus the application was for exclusive rights in the use of the shape of a circle.

In conclusion, the opponent submitted that the opposition proceedings should succeed as the registration of the opposed mark was both prohibited by the Trade Marks Act and was unlawful. The opponent also urged award of costs in its favour.

APPLICANT'S SUBMISSIONS

The applicant's submissions, dated 18 October 2012 and filed on the same date, began by noting that the Notice of Opposition stated that it was relying on sections 12(2), 14 and 15(1) of the Trade Marks Act, Cap. 506.

With regard to the issue of whether the opposed mark was distinctive, the applicant began by looking at the appearance of the mark. It submitted that the essential function of a trade mark was to guarantee the identity of the origin of the trade marked product by enabling the product to be distinguished from others in the market. If a trade mark served to distinguish goods or services, then it had distinctive character and as such had to be capable of distinguishing.

The applicant submitted that the opposed mark was entirely fanciful, arbitrary and unconventional and could not be said to be descriptive of the goods covered in the specification of goods in the application. The applicant argued that the assessment of whether a sign had any distinctive character required an examination as to whether the sign would enable the targeted public to distinguish the marked goods from those of other undertakings when making a purchasing choice. It submitted that the opposed mark enabled the public to make this distinction, particularly having regard to the fact that the

opponent had not filed any evidence proving that any other companies manufacturing or selling cigarettes in Kenya sold their goods under any identical or closely similar marks. The applicant further submitted that the opposed mark was a distinctive mark comprising four concentric circles radiating from a central disc. It submitted that the variation in width of the concentric circles and the contrast in shades of the concentric circles clearly distinguished it from any other simple geometric shapes or marks.

On the issue of whether the application had to show the opposed mark in particular colours and contain a colour limitation, the applicant submitted that section 19(2), Trade Marks Act recognised that an applicant was entitled to apply for a mark either in specific identified colours or in black and white. It submitted that the fact that the applicant's application was in black and white did not in any way result in the opposed mark being less distinctive and not capable of registration. It noted that all but one of the Kenya registered marks in Exhibit NR 1 and all the International marks in Exhibit NR2, which extended protection of the marks to Kenya were black and white and neither the International Bureau nor any of the national registries of the designated countries had refused to register the marks either on grounds of lack of distinctiveness or lack of a colour limitation.

Regarding the question of whether marks composed of circles, ovals, squares, concentric circles and other graphic representations were registrable, the applicant submitted that the opponent's assertion that such marks were not registrable was incorrect and that the evidence contained in Exhibits NR1 and NR2 supported its submission that such marks had been considered for registration by the Kenyan Trade Marks registry without necessarily being accompanied by other words or devices.

The applicant further submitted that the marks shown in the opponent's Exhibits MDM3 and MDM4 bore no resemblance to the opposed mark and were therefore irrelevant to the proceedings. It argued that in considering similarity of marks, the registry was required to consider marks as a whole and not seek to extract individual elements contained in the marks and make comparisons solely on the basis of the extracted elements. In support of this argument, it relied on *Sabel BV v Puma Ag, Parle Products (P) Ltd v J. P. & Co, Mysore* and *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*.

The applicant additionally submitted that the mere fact that other companies had used circles, ovals and squares as elements of their marks did not disqualify the opposed mark

from registration under the Trade Marks Act and did not alter the fact that the opposed mark was distinctive enough to qualify for registration under the Act. In support of this position, the applicant relied on *W&G du Cros' Application* [1913] 30 RPC 660 where it was stated that the right to registration should depend largely on whether other traders in the ordinary course of business were likely to desire to use the same or some mark resembling it upon or in connection with their goods. In this instance, the opponent had not filed any evidence showing that any other company in the trade of manufacturing cigarettes had used or was using any mark which was closely similar to the opposed mark.

On the question of whether the opposed mark represented the end of a cigarette, the applicant submitted that this argument of the opponent was subjective and held no water as the opposed mark was subject to other imaginative conclusions bearing in mind the diverse views and opinions of different people, that the opponent had adduced no evidence proving that any other cigarette manufacturer sold cigarettes in Kenya with an artistic device identical to or closely similar to the opposed mark, and that there was no way a consumer would assume that the opposed mark was the representation of a cigarette.

With regard to the question of whether the opponent had submitted any evidence that the opposed mark was similar to any Kenya registered mark in class 34 as to be likely to cause confusion, the applicant submitted that the opponent had not filed any such evidence and thus was not entitled to rely on section 15(1), Trade Marks Act.

It further submitted that the opponent had not filed any evidence that it had used any unregistered mark in Kenya for cigarettes which was identical to or closely similar to the opposed mark and hence was not entitled to succeed under section 14 of the Act.

Regarding ownership of the opposed mark, the applicant submitted that the opponent had not filed any evidence proving that any other manufacturer of cigarettes was the owner of a closely similar mark to the opposed mark and was therefore not entitled to claim that the applicant was not the owner of the opposed mark.

For these reasons, the applicant submitted that the opposition should fail and the opposed mark proceed to registration with costs in its favour.

OPPONENT'S SUBMISSIONS IN REPLY

In its reply dated 5 December 2012 and filed on the same date, the opponent submitted, *inter alia*, that it maintained that the opposed mark was not distinctive enough to distinguish the applicant's goods in the course of trade and was bound to cause confusion among consumers.

With regard to the issue of the opposed mark's appearance, the opponent reiterated that the opposed mark was a simple circle device with a white border, which was descriptive of the goods in which it was to be used, that the mark had no distinctive feature, that the use of simple geometric shapes was common in the tobacco industry and that the presence or absence of similar marks on the register of trade marks did not in any way affect the lack of distinctiveness of the opposed mark.

On the issue of whether the opposed mark had to be shown in a particular colour, the opponent submitted that the colour limitation was one of the factors to be considered by the Registrar in deciding whether a mark was distinctive under section 19(1) and that the opposed mark was devoid of distinctiveness with or without colour limitation.

Regarding the issue of whether marks composed of circles, ovals, squares, concentric circles and other graphic representations composed of dots and lines were registrable, the opponent reiterated that such shapes on their own, without any other distinctive features, were devoid of distinctiveness and should not be registered as trade marks, though admitting that they could be incorporated in a trade mark in a way that made them arbitrary and fanciful. The opponent further submitted that the exhibits MDM3 and MDM4 contained evidence that the use of simple geometric shapes was common especially in the tobacco industry but admitted that there was no argument that those marks were closely similar to the opposed mark.

On whether the opposed mark represented the end of a cigarette, the opponent reiterated that the mark was a clear pictorial representation of the top of a cigarette.

On the question of similarity to any registered marks, the opponent submitted that it had not instituted the opposition proceedings on the basis of the existence of registered marks, but rather on the basis that if used in relation to goods in class 34 and in particular cigarettes, it would cause confusion among consumers.

With regard to ownership of the opposed mark, the opponent reiterated that the applicant

was not entitled to claim exclusive proprietary rights in the opposed mark as the same was a simple circle device common to most traders in the tobacco industry.

Consequently, the opponent urged that the application be disallowed with costs in its favour.

ISSUES TO BE DETERMINED

The opponent herein opposes the registration of the applicant's trade mark primarily on the ground that the mark lacks distinctiveness and is thus not capable of distinguishing the goods of the applicant from those of the opponent or of other traders.

The applicant, on the other hand, avers that the opposed mark is a distinctive device mark composed of four concentric circles, that the mark is quite different from any of the marks relied on by the opponent and that it is the owner of the mark in question.

Having carefully read through all the pleadings, the evidence and the evidence filed in support by the parties, I have identified the issues to be determined in this opposition to be the following:

- Is the opposed mark registrable?
- Would the opposed mark be disentitled to protection in a court of justice by reason of its being likely to deceive or cause confusion?
- Is the opposed mark identical with or does it closely resemble a mark belonging to a different proprietor and already on the register in respect of the same goods?
- Does the applicant have a right to apply for registration as owner of the marks?

1. Distinctiveness and registrability of the opposed mark

This was the main issue raised by the opponent who argued, *inter alia*, that the opposed mark consisted of geometric shapes in the form of circles that were not distinctive elements and did not qualify on their own for protection as trade marks. It further argued that such geometric shapes were found in numerous trade marks for goods in class 34 and had become customary in trade marks used in the tobacco industry, and that the mark was a mere pictorial representation of cigarettes and therefore was not a trade mark as defined in section 2(1) since it was generic in nature. The opponent further claimed that the mark was not capable of distinguishing the applicant's goods from those of other traders.

In reply, the applicant argued that the opposed mark was a distinctive mark comprised of four concentric circles radiating from a central disc, that shapes such as circles, ovals and squares were registrable under Kenyan law and had been recognised as being distinctive enough to qualify for registration, and that being of an inherently distinctive character, it was a trade mark under section 2(1). The applicant further submitted that the argument that the mark was a pictorial representation of a cigarette was subjective and far-fetched and that there was no connection between the opposed mark and the goods in class 34 referred to in the specification.

The question that arises is whether the circular device that the applicant wishes to register falls within the definition of a mark in section 2(1) and is distinctive in nature as required by the provisions of section 12(1), and defined by section 12(2), Trade Marks Act.

The relevant provisions of law on this issue are to be found in sections 2(1) and 12 of the Trade Marks Act. Section 2(1) defines a mark as including “a distinguishing guise, slogan, device, brand, heading, label, ticket, name, signature, word, letter or numeral or any combination thereof whether rendered in two-dimensional or three-dimensional form”.

Section 12 provides, *inter alia*, that

- (1) In order for a trade mark (other than a certification trade mark) to be registrable in Part A of the register, it must contain or consist of at least one of the following essential particulars -
...
(e) any other distinctive mark, but a name, signature or word or words, other than such as fall within the descriptions in paragraphs (a), (b), (c) and (d), shall not be registrable under this paragraph except upon evidence of its distinctiveness.
- (2) For the purposes of this section, “distinctive” means adapted, in relation to the goods in respect of which a trade mark is registered or proposed to be registered, to distinguish goods with which the proprietor of the trade mark is or may be connected in the course of trade from goods in the case of which no such connexion subsists, either generally or, where the trade mark is registered or proposed to be registered subject to limitations, in relation to use within the extent of the registration ...

The principles stated in *Halsbury’s Laws of England* and *Kerly’s Law of Trade Marks and Trade Names* are also relevant. In *Kerly’s Law of Trade Marks and Trade Names*, referred to by the opponent, at paragraph 8-030, it is stated that

The essential function of a trade mark is to distinguish the goods and/or services of

one undertaking from those of other undertakings and “distinguish” must be understood in that way. The attribute of a trade mark which gives it the necessary ability to “distinguish” is its distinctive character, but the assessment of distinctive character is really an assessment of whether the sign/trade mark can distinguish in the sense just mentioned.

The applicant has described the opposed mark as consisting of four concentric circles of differing widths radiating from a central disc and this is confirmed by a scrutiny of the Form TM2 submitted by the applicant. It is therefore clear that the mark is a “device” within the meaning of section 2(1).

I agree with the applicant’s arguments that its mark is arbitrary and unconventional and is not descriptive of the goods in the application. Moreover, as the applicant correctly argued, marks composed of circles, ovals, squares, concentric circles and other graphic representations are indeed registrable under Kenyan law. Evidence for this was provided in Exhibits NR1 and NR2. The opponent’s evidence in the form of exhibits MDM3 and MDM4 did not support its assertion that marks composed of circles have become customary for marks in the tobacco industry and are thus descriptive.

I am therefore not persuaded by the opponent’s argument that the mark is devoid of any inherent or acquired distinctive character and is descriptive of the product being offered for sale, that is, goods in class 34 and specifically cigarettes.

On the issue of colours, I fail to see the relevance of section 19 to this application. The language of that section is discretionary and there is nothing in law requiring the applicant to specify a colour limitation in order to confer distinctiveness on the opposed mark.

I therefore find that the applicant’s mark is distinctive and registrable.

2. Deceptiveness or Likelihood of Confusion

On this issue, the opponent argued that by virtue of the opposed mark’s lack of distinctiveness, the mark was likely to cause confusion as to the correct source of goods marketed under it. The opponent further argued that the opposed mark was virtually identical to other circle and oval elements of the marks depicted in Annex A to its Notice of Opposition and Exhibit MDM3 to its statutory declaration and that the mark was a pictorial representation of the top part of a cigarette and was thus descriptive of the goods, which would be a clear source of confusion as the applicant was not the only trader dealing in

cigarettes.

The applicant for its part, argued that deception or confusion was not likely to arise from the registration of the opposed mark as it was quite different from any of the marks relied on by the opponent and contained in Annex A to the Notice of Opposition, Exhibit MDM3 and Exhibit MDM4, and was inherently distinctive in nature.

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'.

The applicable provision of law is found in section 14, Trade Marks Act which 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 prohibition is mandatory in nature. Guidance on its interpretation, if any is needed, can be found on page 52, paragraph 70 of Halsbury's Laws of England where the authors refer to the 'global appreciation' test stated in the *Sabel BV v Puma AG* case.

This test is typically used in situations where an opposed mark is challenged on the basis of a specific mark identified by the opponent in its opposition. In this instance, however, the opponent is making a general allegation that the opposed mark is likely to cause confusion when compared to the marks in its Annex A and Exhibit MDM3. It is also alleging that by virtue of being descriptive, the opposed mark would cause confusion to consumers.

On this issue, I am wholly in agreement with the applicant that the opponent has failed to adduce any evidence showing that it, or any other company manufacturing cigarettes in Kenya, sells its goods under an identical or closely similar mark. Likewise, it has not adduced any evidence to show that the use of circles, such as depicted in the opposed mark, is customary to the tobacco trade. The applicant also correctly pointed out that the use of a mark in a different jurisdiction does not affect registrability under Kenyan law. As mentioned above, the opposed mark is distinctive in nature and registrable. There are therefore no grounds on which I can find registration of the opposed mark would be likely to deceive or cause confusion.

3. Similarity with a mark belonging to a different proprietor and existing on the Register

In its Notice of Opposition, the opponent alleged that registration of the opposed mark would contravene the provisions of section 15(1), Trade Marks Act. This allegation was repeated in the opponent's statutory declaration in reply.

The applicant denied the allegation and put the opponent to strict proof thereof. It further argued that the Notice of Opposition was defective in so far as it relied on section 15(1) without specifying the Kenyan registered mark on which the opponent was relying.

Section 15(1) provides *inter alia* that

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

It is clear that though the opponent stated in its Notice of Opposition that it would rely on section 15(1), in its subsequent pleadings and submissions it failed to substantiate on this ground. In fact, as the applicant pointed out, the opponent's written submissions on page 12 contain a concession that it "has no mark currently on the Register that is similar to the opposed mark." Moreover, as noted above, the opposed mark is not similar to any of the marks represented in Annex A or Exhibits MDM3 or MDM 4.

The opponent's submissions regarding the incorporation of geometric shapes including circles in some of its marks are irrelevant in this regard. Likewise the submissions made with regard to the opponent's trade mark MARLBORO.

I therefore find that the applicant has not succeeded in proving that registration of the mark would be contrary to the provisions of section 15(1).

4. Ownership of the mark

This issue was specifically raised by the opponent who submitted that it was a settled principle of law that a person could not be registered as a proprietor of a mark without a genuine claim of proprietorship and argued 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 the opponent had not provided any evidence to show that any other manufacturer of cigarettes was the owner of an identical or substantially similar mark. It submitted that the opposed mark was a distinctive mark of which it was the owner and thus entitled to apply for registration.

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 may dispute an application for registration on the ground of ownership.

The crux of the opponent's argument would appear to be that since the opposed mark is composed of geometric shapes in the form of circles and circles appear in other trade marks, the applicant cannot be the owner of a device mark incorporating circles.

However, when assessing a mark, the mark is to be considered as a whole and not by the individual elements. The applicant has asserted its ownership of the mark and I am satisfied as to its proprietorship of the mark as set out in the application form.

On this matter, I therefore find that the opponent has failed to substantiate its allegation that the applicant is not the owner of the mark.

Evidence

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

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. The exhibits presented before the Registrar by the opponent in its statutory declaration dated 28 June 2011 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 applicant

did not object to their production, 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. That the opposed mark is registrable under the Trade Marks Act;
2. That registration of the opposed mark would not be likely to deceive or cause confusion to members of the public contrary to the provisions of section 14;
3. That the opposed mark is neither identical nor similar to any mark belonging to a different proprietor and existing on the Register in respect of similar goods contrary to the provisions of section 15(1);
4. That the applicant is entitled to apply for registration of the opposed mark as proprietor;
5. That the mark shall proceed to registration; and
6. Costs of these proceedings are awarded to the applicant, British American Tobacco Kenya Ltd.

Ruling dated and delivered at Nairobi this 19th day of December 2013.



Dr. Henry Kibet Mutai
Managing Director