THE TRADE MARKS ACT CAP 506 OF THE LAWS OF KENYA
AND
IN THE MATTER OF TRADE MARK APPLICATION NO. KE/T/2009/065043 "ZAP PESA MKONONI" IN CLASSES 9, 35, 36 AND 38 IN THE NAME OF MOBILE TELECOMMUNICATIONS COMPANY K.S.C. AND OPPOSITION THERETO BY NGOKO ENTERPRISES

RULING BY ASSISTANT REGISTRAR OF TRADE MARKS

Background

On 18th February 2009 Mobile Telecommunications Company K.S.C., (hereinafter referred to as "The Applicants) filed an application to register their trade mark no. KE/T/2009/065043 "ZAP PESA MKONONI" (hereinafter referred to as the mark) before the Registrar of Trade Marks. The application was filed in respect of the following goods and services:

(a) Class 9: scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signaling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin operated apparatus; cash registers, calculating machines, data processing equipment and computers, fire extinguishing apparatus;
(b) Class 16: paper, cardboard and goods made from these materials, not included in other classes; printed matter; bookbinding material; photographs; stationery; adhesives for stationery or household; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks;
(c) Class 35: advertising, business management, business administration, office functions;
(d) Class 36: insurance, financial affairs, monetary affairs; real estate affairs; and
(e) Class 38: telecommunications.

The Registrar duly examined the mark in accordance with the provisions of the Trade Marks Act, Cap 506 of the Laws of Kenya. On 13th March 2009, the mark was rejected in respect of the goods in class 16 due to the existence of an identical mark "ZAP" registered in the said class 16 for similar goods in the name of Plutos Holdings Ltd. However, as regards the

rest of the classes 9, 35, 36 and 38, the mark was approved and published in the Industrial Property Journal of 31st March 2009, on page 59.

On 26th May 2009, Ngoko Enterprises Limited (hereinafter referred to as the Opponents) filed a Notice of Opposition against registration of the mark. The grounds of opposition were as follows:

1. The Trade Mark ZAP belongs to Ngoko Enterprises for its exclusive use under Certificate of Registration Trade Mark No. 58391 sealed and dated 10th August 2006 as evidenced by certified copy of the said Certificate marked PNKI. The exclusive right to use the Registered Trade Mark ZAP is granted by statute and there is statutory protection of that right under Sections 2, 7,8,15 and 46 of the Trade Marks Act, CAP 506.

2. ZAP is a Trade Mark and a Trade Name of the Objector's main manufactured products ZAP SOAPS, ZAP detergents, ZAP Cleaners and the Objector's consumers and intended international partners are now confused that there is dispute, wrangle, conflict with the Applicant over the use of similar TRADE MARK/TRADE NAME ZAP hence the Application to Register ZAP PESA MKONONI is highly prejudicial to the Objector's Business and its Associates.

3. The Objector wrote to the Applicant on 13th February 2009 objecting to the use of the trade mark ZAP before it launched its ZAP PESA MKONONI product. The Objector exhibited the Registration Certificate of its Trade Mark ZAP, which was exclusively given to it with effect from 15th December 2005 to 15th December 2015. As on that day the Applicant had not even applied for the Trade Name /Trade Mark.

4. On 18th February 2009 the Applicant purported to apply for the Trade Mark ZAP PESA MKONONI. Yet it is the word ZAP under Trade Mark No. 58391 that is exclusively registered as belonging to the Registered Proprietor, Ngoko Enterprises.

5. The Objector verily believes that legally and logically one cannot purport to register a popular Brand name say Zain Flour or Zain Bread Registration under different classes under the Trade Marks Act Cap 506 or Zain soap and when the Registered proprietor of the exclusive Trade Mark/Trade Name objects, the offending party disclaims that it is seeking under Sections 7,8,15 & 46 and the Commercial Division of our High Court have laid a very ordinary standard and rationale, that is, "there is no need to allow

a similar Trade name/Trade Mark to belong to two different Companies or Business entities or classes/ Trades" whatsoever. The High Court has in all Trade mark/Trade names dispute upheld that the registered proprietor had every right to protect its trade name. Further the precedents frown upon raising technical issues of different classes or colours where the names are similar because the ordinary consumer does not understand about different classes or colour. The ordinary consumer reasonably associates similar names to mean they are associated with the manufacturer or service provider of the Trade Mark. Indeed after the launch of ZAP PESA MKONONI, the objector's 11 year old son, the firm's customers, retailers and suppliers all wondered aloud "why is our ZAP Name being stolen by Zain'.

6. The Objector believes its statutory and proprietary right to exclusive use of the Trade Mark ZAP is protected by its prior registration and it is entitled to object to its use by the offending party from 15th December 2005.

7. The Objector is a small company but it enjoys equal protection before the law hence the offending party cannot wake up and start using ZAP even before registration and then claim it has substantial good will and that it can even apply for expungement of the objector's Trade Mark. This is down right big business cynicism going by the contents of the offending Party's Advocates letter dated 19th February 2009 copied to Registrar of Trade Marks.

8. The Objector believes that the offending party cannot at this stage use ZAP but it can use any other Trade Mark together with Pesa Mkononi for whatever classes it wishes.

9. The Registrar of Trade Marks is obliged to uphold the Statutory provisions in sections 2, 7,8,15 & 46 of CAP 506 and the decided cases/precedents that the first Registered Proprietor of a Trade Mark ZAP is protected by statute against any use of a similar TRADE MARK of whatever class absolutely.

10. Despite demand and notice to withdraw the Application of the registration of ZAP PESA MKONONI Trade Mark, the Applicant has defaulted, refused and or failed to make amend.

11. Reasons Wherefore the OBJECTOR prays that the Applicant's Application for Registration of the TRADE MARK bearing the word ZAP in ZAP PESA MKONONI TRADE MARK be rejected and dismissed with costs to the OBJECTOR.

The Notice of Opposition was duly forwarded to the Applicants who on 10th July 2009 filed their Counter-Statement. The Applicants stated the following as the grounds on which they would rely in support of their application:

1. The Applicant admits that the Opponent is the registered owner of TM No. 58391 ZAP (device) in class 3 for substances of laundry use, cleaning, polishing, scouring and abrasive preparations; soaps perfumery, essential oils, cosmetics, hair lotions; dentifrices.

2. The Applicant denies the Opponent's claim that the trade mark which has been registered by the Opponent as No. 58391 ZAP ("the Opponent's Trade Mark") is sufficiently visually and phonetically similar to the Applicant's Trade Mark as to be likely to result in confusion and deception to the public if the Applicant's Trade Mark is registered and used.

3. The Applicant's Trade Mark, which is a device mark, contains the words ZAP PESA MKONONI in a unique style and representation whilst the Opponent's Trade Mark is merely the word ZAP represented in a quite different style of lettering and configuration from the Applicant's Trade Mark. The Applicant's Trade Mark and the Opponent's Trade Mark are therefore clearly distinguishable.

4. In addition, the Applicant's Trade Mark also covers goods and services in classes 9, 35, 36 and 38 while the Opponent's Trade Mark only covers goods in class 3. The Applicant's Trade Mark therefore covers goods and services which are totally different from the goods covered by the Opponent's Trade Mark and therefore the registration and use of Applicant's Trade Mark on the goods and services covered by TMA KE/T/2009/0065043 ZAP PESA MKONONI is not likely to result in confusion and deception to the public contrary to what is stated in the Notice of Opposition.

5. Contrary to what is stated in paragraph 4 of the Notice of Opposition, the Opponent was not the exclusive owner of the trade mark ZAP on the date when the Opponent applied to register the Opponent's Trade Mark on 15th December 2005. On that date there was already a

registered trade mark TM 41008 ZAP device registered in the name of Plutos Holdings Limited with effect from 18th January 1994 for goods in class 16.

6. The facts set out… above and the provisions of section 15 (1) of the Trade Marks Act confirm that for the purposes of registration of marks and opposition proceedings protection conferred by the Trade Marks Act on TM 41008 ZAP and the Opponent's Trade Mark is limited to the goods for which that mark has been registered or goods of the same character or description.

7. For all the reasons referred to in …this Counter Statement the Opponent denies that the assertions and statements of law or legal principles contained in paragraphs 5, 6, 7, 9 and 10 the Notice of Opposition are correct.

8. The allegation of "big business cynicism" in paragraph 8 of the Notice of Opposition and the allusion to the fact that the Applicant is guilty of it is incorrect and is denied.

9. In answer to paragraph 9 of the Notice of Opposition the Applicant states that it is entitled to register and use the Applicant's Trade Mark for all the reasons already set out in paragraphs 4 to 9 of this Counter Statement.

10. In answer to paragraph 10 of the Notice of Opposition, the Applicant states that sections 7, 8 and 46 of the Trade Marks Act are not relevant to these Opposition proceedings and it also denies that the statement of law contained in the last two lines of paragraph 10 of the Notice of Opposition is correct.

11. The Applicant has not withdrawn TMA KE/T/2009/0065043 ZAP PESA MKONONI for the reasons set out in … this Counter Statement.

The Counter statement was forwarded to the Opponents who on 24th August 2008 filed a statutory declaration sworn by Ms Pauline Nyambura Kigecha who declared as follows *inter alia*:

1. THAT the Trade Name ZAP exclusively belongs to our firm Ngoko Enterprises for its exclusive use under Trade Mark No. 58391(annexed and marked PNKI is a certified copy of our

Certificate of Registration of Trade mark).

2. THAT our Advocate on record wrote to the Applicant on 13th February 2009 objecting to the use of the Brand Name ZAP before it launched its ZAP PESA MKONONI product and Registration Certificate of our Trade Mark/Brand Name which was exclusively given with effect from 15th December 2005 to December 2015 was exhibited to the Applicant. As on that day it had not even applied for the TRADE NAME/TRADE MARK (annexed and marked PNK2 is a copy of the said letter).

3. THAT on 18th February 2009 the Applicant purported to apply for the Trade Mark ZAP PESA MKONONI. Yet it is the word ZAP Trade Mark No. 58391 that is exclusively registered as belonging to our firm the Registered Proprietor, Ngoko Enterprises.

4. THAT I verily believe that legally and logically one cannot purport to register a popular brand name say Zain Flour or Zain Bread and when the registered proprietor of the exclusive Trade Mark/Trade Name objects, the offending - party disclaims that it is seeking registration under different classes.

5. THAT I am advised by my Advocates on record which advice I verily believe to be true that The Trade Marks Act Cap 506 and the Commercial Division of our High Court have laid a very Ordinary standard and rationale, that is, there is no need to allow a similar Trade Name/Trade Mark to belong to two different Companies or Business entities or classes/ Trades whatsoever as the local customers are not sophisticated and technical people.

6. THAT from 14th February 2009 my customers called me wondering if I have sold the name ZAP to Zain and if not, they wondered why ZAIN should use our ZAP products names and ever since our salesmen and our retail customers have been complaining that the ordinary customers and also hospitals, schools and hotels have been reluctant to buy our ZAP products saying the ZAP Brand name is under dispute which has caused us untold loss of business and promotion of our ZAP products i.e.

1. **DISINFECTANTS**

ZAP Toilet cleaner
ZAP General Disinfectant
ZAP Hand wash

2. DETERGENTS

ZAP General-purpose Liquid detergent
ZAP Bathroom/Toilet Liquid
ZAP Floor liquid detergent

3. OTHER DETERGENTS

ZAP Scouring Powder
ZAP Centrimide
ZAP Kerol
ZAP Sludge Digester
ZAP Chlorine Bleach
ZAP Industrial Perfumes fragrances)

4. ZAP BEAUTY & ZAP SKIN CARE PRODUCTS

ZAP Shampoos
ZAP Petroleum jelly
ZAP insect bite lotion
ZAP Antibacterial skin creams

5. CANDLES

ZAP Ordinary candles
ZAP Coloured candles
ZAP Custom made Decorative Candles

6. CLEANERS & ZAP POLISHES

ZAP Carpet Shampoo
ZAP Stain Remover
ZAP Ceramic Distainer
ZAP Stripper-Carefree 1
ZAP Floor Polish- carefree
ZAP Terrazzo Polish (Show Place/Snow Brite)
ZAP Windowlene
ZAP Wooden Polish
*Under arrangement with manufacturers.

7.That I believe that our firm's right to exclusive use of the ZAP Trade Mark/Trade Name as the brand name ZAP is protected by its prior registration and it is entitled to protect its use by the offending party (annexed and marked PNK3 are samples of our range products bearing

the name ZAP).

8. That I verily believe that the offending party cannot at this stage use the Brand name ZAP but it can use any other Trade Mark/Trade Name together with Pesa Mkononi for whatever classes it wishes.

The said statutory declaration was forwarded to the Applicants who on 25th April 2008 filed a statutory declaration sworn by Ahmud Ismael Parwiz Jugoo the Senior Legal Counsel of the Applicants who declared as follows inter *alia*:

1. THAT I confirm that the Applicant has applied to register the Applicant's Trade Mark in Kenya in classes 9, 35, 36 and 38 which application was accorded the number TMA KE/T/2009/065043 by the Kenya Trade Marks Registry.

2. THAT with regard to paragraphs 2 and 4 of the Opponent's Declaration I am informed by the Applicant's Advocates and verily believe to be true that Trade Mark TM 41008 ZAP device is registered in the name of Plutos Holdings Limited with effect from the 18th January 1994 for goods in class 16. Therefore the claim by the Declarant of the Opponent's Declaration that the Opponent is the exclusive owner of the mark ZAP appears to be incorrect.

3. THAT with reference to paragraphs 5 and 6 of the Opponent's Declaration it is clear from the copy of the registration certificate attached to the Opponent's Declaration marked as exhibit "PNK 1" that the mark referred to therein was only registered in class 3 for substances of laundry use, cleaning, polishing, scouring and abrasive preparations; soaps perfumery, essential oils, cosmetics, hair lotions; dentifrices while the Applicant seeks to register its mark ZAP MPESA MKONONI in respect of goods and services in classes 9, 35, 36 and 38. The Applicant's Trade Mark therefore covers goods and services, which are totally different from the goods covered by the Opponent's Trade Mark. I am advised by the Applicant's Advocates and verily believe that they will make submissions of law at the hearing of the opposition on this aspect.

4. THAT the registration and use of the Applicant's Trade Mark for goods and services that are totally different from the goods covered by the Opponent's Mark is not likely to result in confusion to the public.

5. THAT in addition to what is stated in paragraphs 10 and 11 of this Statutory Declaration, I state that the Applicant's Mark as a whole is not visually or phonetically sufficiently similar to the mark represented in Exhibit "PNKI" annexed to the Opponent's Declaration to cause confusion, as the Applicant's mark consists of an easily distinguishable device mark that contains the words ZAP MPESA MKONONI in a unique style and representation whilst the Opponent's Trade Mark is merely the word ZAP represented in a quite different style of lettering and configuration from the Applicant's Trade Mark.

6. THAT I am advised by the Applicant's Advocates that they will make appropriate submissions on the relevant law and legal principles at the hearing of the Opposition in relation to the statements in paragraph 6 of the Opponent's Declaration.

7. THAT with respect to the contents of paragraph 8 of the Opponent's Declaration I am advised by the Applicant's Advocates and verily believe to be true that the Opponent is not entitled under the Kenya Trade Marks Act or any other Kenya law to claim exclusive use of the word ZAP as the Applicant's Trade Mark is in respect of goods and services which are totally different from the goods covered by the Opponent's Mark.

8. THAT in response to paragraph 9 of the Opponent's Declaration I state that, for the reasons set out above, the Applicant is entitled to register and use its mark represented in TMA KE/T12009/065043 on the goods and in respect of the services in classes 9, 35, 36 and 38 set out in the specification in the above opposed application.

The said Statutory Declaration was forwarded to the Applicants, who on 16th February 2010 filed a statutory declaration in reply sworn by the said Ms Pauline Nyambura Kigecha, who denied all the contents of the Statutory Declaration filed by the Applicants.

Ruling

I have considered the notice of opposition filed by the Opponents and the counter-statement filed by the Applicants together with the evidence adduced by both parties herein by way of their respective statutory declarations. I have also considered the written submissions filed herein by Gitau J.H. Mwara Company Advocates, for the Opponents and Kaplan & Stratton Advocates, for the Applicants. I am of the view that the following is the issue that should be determined in these opposition proceedings:

Is the Applicants' mark "ZAP MPESA MKONONI" so similar to the Opponents' mark "ZAP" as to cause a likelihood of deception or confusion as provided for under section 15(1) of the Trade Marks Act?

Section 15 (1) of the Trade Marks Act provides as follows:
"Subject to the provisions of subsection (2), no trade mark shall be registered in respect of any goods or description of goods that is identical with or resembles a mark belonging to a different proprietor and already on the register in respect of the same goods or description of goods, or in respect of services is identical or nearly resembles a mark belonging to a different proprietor and already on the register in respect of the same services or description of services."

The Opponents filed these opposition proceedings mainly on the basis of the above-indicated provisions of section 15(1) of the Trade Marks Act. Their contention is that, on registering their mark TMA No. 58391 "ZAP" in class 3 in respect of bleaching preparations and other substances of laundry use, cleaning, polishing, scouring and abrasive preparations; soaps perfumery, essential oils, cosmetics, hair lotions; dentifrices, then the Opponents acquired the right to the use of the said trade mark in exclusion of any other person.

On the other hand, the Applicants state that the above-mentioned registration is only in respect of the said goods in class 3 and the mark is available for registration and use by any other person provided that the goods or services in respect of which the latter mark is registered or used are not similar to the goods in respect of which the above-mentioned TMA No. 58391 "ZAP" is registered.

In the book Bentley and Sherman's Intellectual Property Law, the learned authors state as follows on page 859:

"The question of whether goods or services are similar depends on the facts of the case. When deciding whether or not a trade mark application falls foul of one of the relative grounds for refusal, the comparison is normally between the goods or services for which the earlier mark has been registered and the goods or services to which the application relates. … This requires the court to interpret the specification and then to characterize the goods or services and see if they fall within the specification".

A careful consideration of the provisions of the above-mentioned section 15(1) indicates that the said provisions are concerned about the description of the goods or services in respect of which the particular

marks are registered or used and not just a consideration as to whether or not the marks are similar or identical.

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

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

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

In the English trade mark infringement case of British Sugar Plc v James Robertson & Sons Limited, Jacob J stated as follows:

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

(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves; and

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

The following is a consideration of some of the above-mentioned factors:

(a) Do the marks appear on the same or similar goods or services? Are the goods of the Opponents on one hand, and the goods and services of the Applicants on the other of a similar description?

The goods/services to be considered in this matter are the goods in international class 3 on one hand and the goods and services offered under classes 9, 35, 36 and 38 by a telecommunication company on the other. Section 6 of the Trade Marks Act provides that the goods and services in respect of which registration of a mark is applied for shall be classified in accordance with the Nice International Classification of Goods and Services for purposes of registration of trade and service marks. The Classification is administered by the World Intellectual Property Organization under the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks. Under the explanatory notes for class 3, the Ninth Edition of the said Classification describes the goods in the said class as mainly cleaning preparations and toilet preparations. Goods in class 9 are described as electrical apparatus and instruments as well as all computer programs and software. Services in class 35 are described as mainly services rendered by persons or organizations as well as services rendered by advertising establishments primarily undertaking communications to the public. Services in class 36 are described as mainly services rendered in financial and monetary affairs and services rendered in relation to insurance contracts of all kinds. Services in class 38 are described mainly as services allowing at least one person to communicate with another by a sensory means.

It is clear that the said goods in class 3 in respect of which the Opponents' mark was registered are very different from the goods and services in respect of which the Applicants' mark is sought to be registered. It would be unusual for a purchaser of the Opponents' goods, which are mainly cleaning preparations and toilet preparations to presume that the goods and services offered by the Opponents under classes 9, 35, 36 and 38 are also offered by the Opponents or vice versa, just because the marks are similar.

In the Book Kerly's Laws of Trade, 14th Edition, paragraph 9-067 titled Goods or Services Which are not Similar, the learned author states as follows:

"Bags, cases and pocket wallets made of leather; umbrelllas and parasols" are not similar to cigarrete lighter and lighter fuel", "Sports bags,

shopping bags, toilet bags, key bags" are not similar to "clothing" , "Electronic devices for attracting and killing insects"are not similar to "aroma therapy difussing apparatus", "Alcoholic beverages other than beer" are not similar to "coffee", "Financial services to dentists" are not similar to "dental services", "Milk products, flour and preparations made from cereals" are not similar to "foodstuffs for animals, including non-medicated food additives and food supplements for animals" and "Pharmaceutical products" are not simialr to "medical devices".

Following the above-mentioned assessment, I am of the view that the goods and the services of the Opponents being scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signaling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin operated apparatus; cash registers, calculating machines, data processing equipment and computers, fire extinguishing apparatus, in class 9, advertising, business management, business administration, office functions in class 35, insurance, financial affairs, monetary affairs; real estate affairs in class 36 and telecommunications in class 38 are not goods or services of the same description as the Opponents' goods, that is, bleaching preparations and other substances of laundry use cleaning, polishing, scouring and abrasive preparations; soaps perfumery, essential oils, cosmetics, hair lotions; dentifrices.

In support of their case, the Applicants relied on the Akaba Investments Ltd V Gonas Best Limited case where the issue was the infringement of the Plaintiff's trade mark by the Defendants. However the said case is very different from the current opposition proceedings in that both parties were involved in the sale and distribution of goods of a similar description, that is, juice. While ruling for the Plaintiff, the judge stated as follows on page 9:

"Coming to the substance of the alleged infringement, it may be prudent to state from the very outset that generally, the registration of a trade mark gives the proprietor the exclusive right to the use of the mark in **connection with the goods with respect of which it is registered**". (Emphasis added).

This is the same situation in the case that was also relied upon by the Opponents, Group Four Security Limited V G4S Security Services (K) Limited, where the judge ruled for the plaintiff because the services of

both the plaintiffs and the defendants were of a similar description or nature, that is, security services. It is also worth noting that, all the cases that were referred to by the Court in the aforementioned case of Group Four Security Limited V G4S Security Services (K) Limited were in regard to goods or services of a similar description and goods or services that would be registered in the same class under the said Nice International Classification of Goods and Services. Parke Davis & Company Limited V Opa Pharmacy Limited [1961] EA 556 was in regard to similar pharmaceutical products that would be registered under class 5, Beiersdorf AG V Emirchem Products Limited HCCC No. 559 of 2002 was in regard to similar skin-care products that would be registered under class 3, Brooke Bond Kenya Ltd V Chai Limited [1971] was in regard to packed tea leaves that would be registered under class 30 and Pharmaceutical Manufacturing Company V Novelty Manufacturing Limited HCCC No. 746 of 1998 was in regard to pharmaceutical products that would be registered under the said class 5. Further section 7 of the Trade Marks Act that the Opponents also relied on provides as follows:

"…the registration (whether before or after 1st January, 1957) of a person in Part A of the register as the proprietor of a trade mark if valid gives to **that person the exclusive right to the use of the trade mark in relation to the goods or in connection with the provision of any services** … (emphasis added).

The above-mentioned cases and the provisions of sections 7 and 15(1) of the Trade Marks Act recognize that the proprietor of a registered mark is only protected in connection with the goods or services in respect of which the mark is registered and no more. To hold otherwise would be contrary to the law of trade marks that has provided for registration of marks in classes and recognizes a different description of goods and services. This principle has also been followed by the Registrar of Trade Marks and that is why a perusal of the Register of Trade Marks reveals that there are several identical trade marks registered in the name of various proprietors for different description of goods or services and in different classes. The following is an indication of the various goods and services registered in respect of four marks that co-exist on the said Register of Trade Marks in the name of different proprietors without any confusion or deception:

		TMA No	Date of Application	Trade Mark	Class	Goods	Proprietor
1.	(a)	24186	14th September 1977	MAX	7	Machines and machine tools; motor (except for land vehicles) machine couplings and belting (except for land vehicles); large size agricultural implements; incubators.	Cosmos Limited
	(b)	33796	18th December 1985	MAX	32	Non-alcoholic drinks and preparations for making such drinks.	SmithKline Beecham Consumer Brands Limited
	(c)	41252	25th March 1994	MAX	16	Staplers, staples for office use, removers, punches (office requisites), electric staplers, numbering machines, stamp pads, stamps cheque writers, drawing instruments, and drawing materials; and all other goods included in class 16.	Max Co. Limited
	(d)	48314	18th December 1998	MAX	30	Ice creams; Water Ices; Frozen confections; Preparations for making the aforesaid goods; all included in Class 30.	Unilever PLC
	(e)	55134	13th October 2003	MAX	29	Meat, fish, poultry and game, meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruits sauces; eggs; milk and milk products; edible oils and fats.	Crown Foods Limited

	(f)	58663	14th February 2006	MAX	35	Advertising, business management, business administration, office function.	Flashcom Limited
2.	(a)	41008	18th January 1994	ZAP	16	Paper, cardboard and goods made from these materials stationery, letter heads, cards and all other goods included in class 16.	Plutos Holdings Limited
	(b)	58391	15th December 2005	ZAP	3	Bleaching preparations and other substances of laundry use. Cleaning, polishing, scouring and abrasive preparations; soaps perfumery, essential oils, cosmetics, hair lotions; dentifrices.	Ngoko Enterprises
3.	(a)	11863	14th June 1963	Jogoo	3	All goods included in class 3 (Schedule III) but excluding incense.	PZ Cussons International Limited
	(b)	29841	22nd March 1982	Jogoo Kimakia	12	Motor vehicles	Jogoo Kimakia Company Limited
	(c)	44891	23rd October 1996	Jogoo	33	Wines, spirits and liqueurs	Kenya Wine Agencies Limited
	(d)	53164	12th June 2002	Jogoo Cock	30	Flour and preparations made from cereals	Unga Holdings Limited
	(e)	56981	4th January 2005	Cock	6,8 and 11	Ironmongery and small items for metal hardware, in class 6, Hand tools in class 8 and apparatus for lighting, heating, cooking in class 11.	Doshi Iron Mongers Limited

4.	**(a)**	**1135**	**18th September 1925**	**Lion**	**47**	**Candles, common soap, including hard, soft and dry soap, detergents, illuminating, heating or lubricating oils, matches, starch, blue and other preparations, for laundry purposes**	**Unilever PLC**
	(b)	**8027**	**17th July 1957**	**Lion**	**32**	**Malt liquors**	**Sabmiller International BV**
	(c)	**9376**	**7th October 1959**	**Lion**	**4**	**All goods in this class**	**Shell International Petroleum Company**
	(d)	**17126**	**19th November 1969**	**Lion**	**30**	**Tea and coffee**	**Brook Bond Group Limited**
	(e)	**22810**	**20th May 1976**	**Lion**	**16**	**Paper and paper articles cardboard articles, stationery, adhesive materials (stationery) paint brushes, typewriters and office requisites (other than furniture), instructional and teaching material (other than apparatus).**	**Kabushiki Kaisha**
	(f)	**51652**	**16th May 2001**	**Lion**	**33**	**Wines, spirits and liqueurs.**	**Peacock Products Limited**
	(g)	**56199**	**5th July 2004**	**Lion**	**36**	**Insurance services**	**Lion of Kenya Insurance Company Limited**

	(h)	**67374**	**3rd February 2010**	**Lion**	**3**	**Polishing preparations, including shoe polish, bleaching preparations and other substances for laundry use; cleaning, scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices**	**The Lion Match Company (Proprietary) Limited**

The Register of Trade Marks actually indicates that the word "lion", its Kiswahili equivalent "simba" or "the device of a lion" have been registered and are used for almost all the goods and services in the aforementioned Nice International Classification of Goods and Services and by different proprietors without any confusion or deception among the members of the public because the description of goods or services is quite different. This difference in the description of the goods or services is sufficient to distinguish the goods or services of one proprietor from the rest, even where the marks are identical as in the current opposition proceedings.

In the English case of Hart v. Colley, the defendant was charged with selling rolls of paper with the trade mark of the plaintiff; the plaintiff was not registered in class 39 under which rolls of paper were covered. It was held that the plaintiff not being registered under class 39 was not entitled to sue in respect of the infringement of the trade mark. The court observed as follows:

"In turning over the leaves of the Trade Mark Journal we constantly find four or five or more trade marks all exactly alike registered in respect of different classes of goods. What is that for? Why, because the common consent of every one shows that they understand the right to registration under the Act is in respect of the particular goods or classes of goods for which registration is obtained."

In the English of case Ainsworth v. Walmslay, (1966) 35 L.J. Ch. 352, the following observations were made by Vice Chancellor Wood:

"If a manufacturer does not carry on a trade in iron, but carries on a trade in linen, and stamps a lion on his linen, another person may stamp a lion on iron; but when he has appropriated a mark to a particular species of goods and caused his goods to circulate with this mark upon them, the Court has said that no one shall be at liberty to defraud that man by using

that mark, and passing off goods of his manufacture as being the goods of the owner of that mark."

In the Indian case of Thomas Bear & Sons, the Court observed as follows:

"A manufacturer of cigarettes under an undoubted trade mark such as an animal, or any other device cannot legally object to the use of the identical mark on, say, hats, or soap, for the simple reason that purchasers of any of the latter kinds of goods could not reasonably suppose, even if they were well acquainted with the mark as used on cigarettes, that its use on hats or soap denoted that these goods were manufactured on marketed by the cigarette manufacturer."

In the English case referred to as J and J Colman Ltd's Application, mustard and semolina, in spite of their being commonly sold in the same establishment over the counter were held to be not goods of the same description particularly having regard to the divergence in use and method of preparation when they respectively reached the kitchen.

In the English case of In the Matter of an Application by Ladislas Jellinek for the Registration of Trade Mark, which the Applicants relied on, it was held that shoes and shoe polish were not goods of the same description and could therefore co-exist on the Register of Trade Marks. The Court observed as follows while relying on the aforementioned English case of J and J Colman Ltd's Application:

“Now taking firstly into consideration the nature of the goods which are now in question, it seems to me that boots and shoes on the one hand differ in their nature at least as widely as semolina differs from mustard; the composition of the two commodities are wholly different and distinct from one another; secondly, it seems to me that the respective uses of the articles have to be taken into account in considering whether they should be regarded as goods of the same description. The mere fact that polish is applied to boots and shoes for the purpose of cleaning them and giving them a smart appearance seems to me to be quite irrelevant in this connection.

In my judgement boots and shoes cannot be regarded as used for any purpose analogous to that for which shoe polish is sold; the former are used to wear and the latter is used for cleaning, and there is, from this point of view nothing in common between the two.

Thirdly, I have, I think, to take into consideration the question of the trade channels through which the commodities respectively are bought and sold."

In the American case referred to as American Steel Foundries v Robertson, Sutherland J stated as follows:

"The mere fact that one person has adopted and used a trade mark on his goods does not prevent the adoption and use of the same trade mark by others on articles of a different description. There is no property in a trade mark apart from the business or trade in connection with which it is employed".

In the above-mentioned article, A Tale of Confusion: How Tribunals Treat the Presence and Absence of Evidence of Actual Confusion in Trade Mark Matters, while referring to the decision made in the New Zealand trade mark case of Pioneer Hi-Bred Corn Company v Hy-Line Chicks Pty Ltd, the learned author, Paul Scott states as follows:

"The confusion as to source, which Richardson J refers, is the incorrect belief that goods or services, which bear one mark, come from another source whose goods and services bear another mark. Consumers believe that the goods and services bearing the first mark come from the owner of the other mark. **This usually arises when the marks appear on the same or similar products."** (Emphasis added).

Following the above-mentioned cases and for the above-mentioned reasons, I am of the view that since the goods of the Opponents and the goods and services of the Applicants are of very different descriptions, then the likelihood of confusion or deception would be non-existent.

(b) Do consumers purchase the goods or services carefully or on impulse?

In the aforementioned book, Kerly's Laws of Trade, 14th Edition, paragraph 17-018, under the sub title "Standard of Care to be Expected", the learned author states as follows:

"… as common experience shows, consumers' attention will vary depending on the kind of goods which they are buying, and not all classes of consumers will exercise the same level of care in choosing products… the general principles are as follows:

1. It must not be assumed that a very careful or intelligent examination of the mark will be made;

2. But, on the other hand, it can hardly be significant that unusually stupid people, fools or idiots, or a moron in a hurry may be deceived;

3. If the goods are expensive, or important to the purchasers, and not of a kind usually selected without deliberation, and the customers generally educated persons, these are all matters to be considered."

In the English case of Reed Executive PLC v Reed Business Information Ltd, the court stated as follows:

"The person to be considered in considering the likelihood of confusion is the ordinary consumer, neither too careful nor too careless, but reasonably circumspect, well informed and observant. There must be allowance for defective recollection, which will of course vary with the goods in question. A fifty pence purchase in the station kiosk will involve different considerations from a once-in-a-lifetime expenditure of £50000."

The goods and services in consideration in this matter are neither "a fifty pence purchase in the station kiosk" nor "a once-in-a-lifetime expenditure of £50000." In my view, these are goods and services that are important to the respective purchasers and are usually selected and purchased with a lot of deliberation. In the case of the goods of the Opponents, the same are goods in class 3 which I had ealier stated that they have been described under the said Nice International Classification of Goods and Services as cleaning preparations and toilet preparations. The said goods are not expensive but they are goods that are very important to the purchasers and are selected with a lot of care and deliberation. The purchasers are aware that the wrong choice of the goods would either not be effective or they would be detrimental to the users. On the other hand, the services of the Applicants are money transfer services. The said services are also not expensive. However, the same are unique services that are offered by pre-determined and registered agents of the Applicants. The purchaser of the said services selects and uses the said agents to send or withdraw money using a mobile phone. This is a very conscious and delibrate decision made by the said purchaser who needs to be very careful since the transactions are of a financial nature.

Therefore, it is my view that the goods and services of the Opponnets and those of the Applicants are not those that can be purchased by "unusually stupid people, fools or idiots, or a moron in a hurry" who would be easily deceived. The same are purchsed by consumers who are quite discerning and are very careful due to the very nature of the respective goods and services.

In their submissions, the Opponents had indicated that their customers including hospitals, schools and hotels had become reluctant to buy the Opponents' goods after the Applicants launched their services by the mark ZAP Pesa Mkononi. I am unable to accept this statement as true for the above-mentioned reasons. Hospitals, schools and hotels are not managed by "unusually stupid people, fools or idiots, or a moron in a hurry" who may be deceived. It is my considered view that such institutions are managed by the crème of the society who are "generally well educated persons". Due to the care the said persons would be expected to take when making their purchases, then the likelihood of the said persons being confused or deceived as between the Applicants' telecommunication and financial services on one hand and the goods of the Opponnets, that is, cleaning preparations and toilet preparations, would be highly unlikely.

What is the physical nature of the goods or acts of service?

In the book WIPO Intellectual Property Handbook by the World Intellectual Property Organisation it is stated as follows on page 86:

"… identical marks are unlikely to create confusion as to the origin of the goods if the goods are very different. As a general rule, goods are similar if, when offered for sale under an identical mark, the consuming public would be likely to believe that they came from the same source. All the circumstances of the case must be taken into account, including the nature of the goods, the purpose for which they are used and the trade channels through which they are marketed, but especially the usual origin of the goods, and the usual point of sale.

A further aspect is the nature and composition of goods. If they are largely made of the same substance, they will generally be held to be similar even if they are used for different purposes. Raw materials and finished goods manufactured out of the raw materials are not normally similar, however, since they are generally not marketed by the same enterprise."

In the above-mentioned English trade mark infringement case of British Sugar Plc v James Robertson & Sons Limited, after considering all the above-mentioned factors, Jacob J found that the defendant's sweet spread "Robertson's Toffee Treat" was not similar to "dessert sauces and syrups" for which the claimant's registered trade mark, "Treat" was registered.

Just like "sweet spread" was held not to be similar to "dessert sauces and syrups", it is my view that the goods of the Opponents being cleaning preparations and toilet preparations, and the goods and services of the Applicants being money transfer services by use of a mobile phone are very different and the marks would co-exist on the Register of Trade Marks and in the Kenyan market.

What are the respective uses of the respective goods or services?

In the above-mentioned case of English trade mark infringement British Sugar Plc v James Robertson & Sons Limited, Jacob J stated as follows:

"When it comes to construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade. After all a trade mark specification is concerned with use in trade."

As earlier indicated, the goods of the Opponents are mainly cleaning preparations and toilet preparations. The services of the Applicants are mainly concerned with transfer of money by use of a mobile phone. It is therefore apparent that for the purposes of trade, the two marks though identical are very different as far as their use in trade is concerned.

Conclusion

1. It is apparent that:

(a) The respective uses of the Opponents' goods are very different from the goods and services of the Applicants;

(b) The physical nature of the goods of the Opponents' goods are very different from the goods and acts of services of the Applicants;

(c) The respective trade channels through which the goods of the Opponents are very different from the goods and services of the Applicants;

(d) The respective goods and services of the Opponents and the Applicants would never be found on the same shelves in a self-service store;

(e) The respective consumers of the Opponents' goods and those of the Applicants purchase the respective goods and services carefully and with a lot of deliberation;

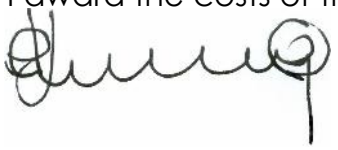
(f) There cannot be any trade connection between the goods of the Opponents on one hand and the goods and services of the Applicants on the other, since the respective goods are not identical either in fact or commercially; and

(g) The respective goods and services of the Opponents and the Applicants are neither competitive nor complementary.

The conclusion is that on a balance of probabilities, the Opponents have failed in these opposition proceedings under the provisions of the above-mentioned section 15(1) of the Trade Marks Act.

2. Do the Applicants have a valid claim to their mark TMA NO 065043 "ZAP PESA MKONONI" (WORDS)? The answer is yes. Taking into consideration all the above-mentioned reasons, I am of the view that the Applicants have a valid and legal claim to the mark "ZAP PESA MKONONI" in accordance with the provisions of section 20(1) of the Trade Marks Act and have successfully discharged their onus of proving that registration of their said mark will not cause confusion under the provisions of the Act and the same should proceed to registration.

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



Eunice Njuguna
Assistant Registrar of Trade Marks

26th Day of November 2010

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

Eunice Njuguna
Assistant Registrar of Trade Marks

26th Day of November 2010