

# UGANDA REGISTRATION SERVICES BUREAU THE TRADEMARKS ACT, 2010 IN THE MATTER OF TRADEMARK APPLICATION NO. UG/T/2021/072822 "CROCODILE" IN CLASS 8 AND UG/T/2022/074619 "CROCODILE" AND THE CROCODILE DEVICE CLASS 12 IN THE NAMES OF METAL WOOD INDUSTRIES LTD

### AND

# **OPPOSITION THERETO BY EAST AFRICAN ROOFING SYSTEMS LTD**

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### VERSUS

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#### Before: Birungi Denis: Assistant Registrar of Trademarks

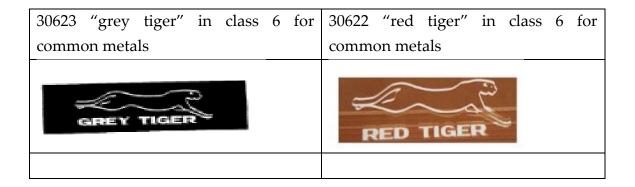
## <u>Ruling</u>

#### (a) **Background**

1. The applicant filed application number 072822 in class 6 for common metals and application number 074619 in class 12 for vehicles and similar goods. Both applications are for registration of the word "CROCODILE" and the crocodile device as trademarks. The applicant's mark as presented in both applications, is indicated below;



- 2. In addition to the opponent, two other companies—Everest Manufacturing Co. Ltd and Max Imports and Exports ltd filed oppositions against the registration of both the applicant's marks. However, the two companies and the applicant settled their dispute leading to a consent judgement dated 12<sup>th</sup> June 2023. As such, I will deem their opposition withdrawn and determine the opposition by East African Roofing Systems Ltd.
- 3. According to its statutory declaration, the opponent claims to be a manufacturer of expanded metal and holds trademark number 30622 for the mark "red tiger" and the tiger device, and trademark number 30623 for the mark "grey tiger" and tiger device. Both trademarks are registered in respect of class 6 covering all goods in that class.
- 4. The opponent's trademarks are indicated below;



#### (b) Decision

- 5. This matter was previous heard by a different Registrar who has since left the institution. It had reached at submissions stage and was awaiting a ruling. However, to appreciate the context and the underlying issues, I directed the parties to appear before me for mention. The matter came up for mention on 23 January 2024. Counsel Marion Lisa Kirabo represented the applicant, while Counsel Peter Kawuzi appeared for the opponent. While parties had filed written submissions which were already on file, I directed the advocates to make additional oral arguments to enable me appreciate the gist of the dispute.
- 6. For the opponent, it was submitted that the crux of the opposition is not on similarity of the opponent's trademarks with those of the applicant but rather, the

manner in which the applicant arranges its trademark in the market, which, according to Counsel for the opponent, is likely to cause confusion with the opponent's goods and hence mislead its customers. The applicant submitted and adduced evidence of the alleged resemblance in the getup and trade dress of the applicant's goods as indicated in the pictures below;



7. Counsel for the opponent admitted that the applicant's and the opponent's trademarks are not similar at all but contends that due to the similar presentation and use of background colors—red and black—customers are likely to be confused. I do not agree. Similarity and likelihood of confusion are inextricably linked. There cannot be confusion where there is no similarity of goods and marks. The word confusion itself, denotes a state of mind. It is defined by the online Oxford dictionary as *"the state of being <u>bewildered</u> or unclear in one's mind about* 

*something."* With regard to trademarks, confusion can occur where there are similar goods with similar marks or brands. For trademark law and practice, the similarity maybe visual or aural—also known as phonetical similarity. It is this similarity that is the basis for determining possibility or likelihood of confusion. Where there is no alleged similarity, the discussion on likelihood of confusion is moot and serves no purpose.

- 8. Visually and phonetically, there is not even an iota of resemblance between the opponent's and the applicant's marks. Background color, even though part of the opponent's mark, does not make the two marks similar so as to lead to a likelihood of confusion. The word "Crocodile", and the crocodile device and the word "Tiger", and the tiger "device" are visually and phonetically different that no ordinary person can confuse the two products as originating from one entity or to purchase one product mistaking it to be another, on the basis of background color alone.
- 9. I note that while section 12 of the Trademarks Act allows a person to object to registration of a trademark, the said opposition must be supported by credible grounds based on the law. These may include grounds such as a contention that the applied for mark is not distinctive within the meaning of section 9 of the Trademarks Act—which may include arguments of similarity with an already registered mark and hence likely to cause confusion with the opponent's goods or that the proposed mark is contrary to law within the meaning of section 23, or that is similar and likely to cause confusion with an already registered mark (section 25), or that it is similar to a mark already registered in the country of origin within the meaning and application of section 44.
- 10. The current opponent does not allege any of the grounds stipulated in the Trademarks Act. Counsel for the opponent instead contends that despite the absence of similarity, the manner in which the applicant's mark is used in the market is likely to mislead the opponent's clients to believe that the goods are coming from the same entity.

- 11. During scheduling, the issue raised was whether the applicant's application was brought in bad faith. In its written submissions, Counsel for the opponent attempts to argue, that because of same background colors—red and black—used by the applicant in the market, the trademark applications were therefore brought in bad faith. I disagree with this view for the following reasons;
- 12. First, the applicant's mark as presented in its application to the Registrar (see para 1) does not have a background color. Second, even if it did, placed side-by side, the two marks are too different that no ordinary consumer can ever confuse them.
- 13. Third, while evidence of bad faith may be relied on to refuse registration on account of the mark being contrary to law within the meaning of section 23 (1), the opponent's statutory declaration does not indicate any evidence of bad faith. As a cardinal principle, bad faith must be particularly pleaded and proved. Further, it is not plausible that bad faith can arise where the disputed marks have no resemblance so to be likely to cause confusion.
- 14. Fourth, the opponent's case is that the manner in which the applicant is using its mark in the market is likely to confuse its customers, and not whether the way the trademark is presented for registration is likely to cause confusion. This therefore, raises the question of the Registrar's jurisdiction to determine such a dispute.
- 15. It appears, the opponent contemplated an action for passing off and disguisedly presented the same as objection to registration before the Registrar.
- 16. Actions for passing off, though may arise or may be related to trademark rights, are not grounds for objection under the Trademarks Act, and as such the Registrar has no jurisdiction to determine the same. In a recent decision—*Megha Industries U ltd v Royal Mabaati Uganda Ltd Application for cancellation of trademark No.05981*—this office held that disputes as to how trademarks are used in the market are outside the jurisdiction of the Registrar. While considering the powers of the Registrar under section 88 of the Trademarks Act, the office noted;

"The section does not confer onto the Registrar powers to determine whether the manner in which one trademark owner uses its trademark is or may be infringing another trademark owner's rights, as basis for removal or cancellation of the alleged offending mark. A person who alleges that his or her trademark rights are infringed has other remedies in courts of law. For example, section 71 of the Trademarks Act provides for civil remedies..." (emphasis mine)

- 17. While in the above case, the Registrar was considering an application for cancellation of an already registered mark, the principle on the limits of the Registrar's jurisdiction is applicable in opposition proceedings such as this. The Registrar is limited to inquiring matters to which he or she has jurisdiction and must never adjudicate matters for which jurisdiction is conferred on Courts of law. In opposition proceedings, the Registrar's scope of inquiry is limited to circumstances that can prohibit registration of a trademark. These include; lack of distinctiveness within the confines of section 9, prohibition on registration of identical or resembling marks within the meaning of section 25, restriction on registration of marks contrary to law or likely to deceive within the meaning of section 23, prohibited marks under regulation 13 of the Trademark Regulations, 2023, possibility of concurrent use within the meaning of section 27 and inquiry as to whether the mark should be refused to pave way for registration in Uganda, of a similar registered mark in the country of origin within the confines of section 44.
- 18. Jurisdiction of a hearing officer is a serious issue. A decision taken without jurisdiction is null and void. Jurisdiction is a creature of statute and cannot be conferred by either consent or complacency of the parties nor by acquiescent of the hearing officer. Exercising jurisdiction, which is not conferred by statute, is a usurpation of powers and an act done ultra-vires. Any questions of jurisdiction being so central to the authority of a hearing officer to undertake proceedings in a case before him or her, must be addressed at the earliest opportunity so that the hearing officer does not engage in a futile exercise (**see** *Owners of the Motor Vessel "Lillian S" v Caltex Oil (Kenya) Ltd* [1989] KLR 1).
- 19. Jurisdiction takes many forms, but of particular importance in this matter is subject matter jurisdiction. Subject matter jurisdiction is the requirement that a given court or tribunal has the power to hear the specific kind of claim that is brought to it. In **Ozuu Brothers Enterprises v Ayikoru Civil Revision No.2 of 2016**, Justice

Stephen Mubiru explained jurisdiction as involving many features. He noted at page 4 of the ruling;

"The term may have different meanings in different contexts. It has been defined as the limits imposed on the power of a validly constituted court to hear and determine issues between persons seeking to avail <u>themselves of its process by</u> <u>reference to the subject matter of the issues or to the persons between whom the</u> <u>issues are joined or to the kind of relief sought</u> (See: A.G of Lagos State v Dosunmu (1989) 3 NWLR pt.111, pg. 552 S C). It <u>therefore means and includes any authority</u> <u>conferred by the law upon the court to decide or adjudicate any dispute between</u> <u>the parties or pass judgment or order</u>. A court cannot entertain a cause which it has no jurisdiction to adjudicate upon. A court must have both jurisdiction and competence in order to be properly seized of a cause or matter. Whereas Jurisdiction is a creature of statute and is the power conferred on a court by statute or the Constitution, a court is competent when:

(1) It is properly constituted with respect to the number and qualification of members.

(2) <u>The subject matter of the action is within its jurisdiction and there is no feature</u> in the case which prevents the court from exercising its jurisdiction (such as <u>limitation or lack of capacity of the parties</u>).

(3) The action is initiated in compliance with the rules of procedure and

(4) Any condition precedent to the exercise of its jurisdiction has been fulfilled."

- 20. The Trademarks Act, 2010 spells out the subject matter jurisdiction of the Registrar of trademarks. In determining oppositions, questions as to whether the manner in which the applicant presents its trademark in the market is likely to cause confusion with the opponent's goods, are outside the scope of inquiry. The Registrar is limited to assessing the trademark as it is presented in the application and determining whether it is registrable.
- 21. The Trademark Act grants an aggrieved person numerous remedies, some of which can only be pursued in Courts of law. For example, under section 35, it allows person to pursue actions for passing off but only before the High Court. It states: *"Nothing in this Act shall be taken to affect a right of action against a*"

person for <u>passing off</u> goods or services as the goods or services of another or the remedies in respect of the right of action."

- 22. Where there are instances of concurrent jurisdiction between the Registrar and the High Court, the Trademarks Act expressly states so. A case in point is section 45, 46 and 48, which enumerates instances where both the Registrar and High Court have concurrent jurisdiction to entertain applications for cancellation of already registered trademarks. In opposition proceedings, the original jurisdiction is conferred on the Registrar and is restricted to inquiring grounds for refusal of registration under the Act and not actions for passing off.
- 23. The opponent does not raise any credible ground for opposition to support refusal of registration. Therefore, oppositions to trademark applications No.0782822 and 074619 are accordingly dismissed with no order as to costs.

I so Order.

Given under my hand, this 7th day of February 2024

Birungi Denis Ass. Registrar of Trademarks