DECISION OF THE REGISTRAR OF TRADEMARKS

IN THE MATTER OF:

TRADEMARK APPLICATION NO. 439/2020

'GLORY AND LABEL' IN CLASS 32.

IN THE MATTER OF:

OPPOSITION TO REGI

REGISTRATION

PURSUANT SECTION 23 OF THE TRADE

MARKS, ACT CHAPTER 401 OF THE LAWS

OF ZAMBIA.

BETWEEN:

TANGY ENERGY DRINKS LIMITED

APPLICANT

AND

SAGLIKLI GIDA URUNLERI SAN.TIC.A.S

OPPONENT

BEFORE: Mr. Benson Mpalo, Registrar of Trade Marks

For the Applicant: Mrs. Bwalya Mutiti of Messrs. Dench Intellectual Property Consultants

For the Opponent: Mr. Ntasi Silwamba and Mr. Wana Chinyemba of Messrs. Eric Silwamba, Jalasi & Linyama Legal Practitioners

RULING

STATUTE REFERRED TO:

- 1. The Trade Marks Act Chapter 401 of the Laws of Zambia
- 2. The Trade Marks Act, 2023

CASES REFERRED TO:

1. Berlei (UK) Ltd. v Bali Brassier Co. Inc.; "BALI" T.M. (1969) 2 All E.R. 812; (1969) R.P.C. 472 HL.



- Britannia Industries Limited v. Britania Products Zambia Limited
 (2020) [Decision of the Registrar]
- 3. D.H.Brothers Industries (Pty) Limited v. Olivine Industries (Pty) Limited, SCZ Appeal no. 74/2010
- 4. Hotel Cipriani SRL V. Cipriani (Grosvener Street) (2008) EWHC 3032 Ch,
- 5. Jasbevas General Dealers v. Ramas Suppliers Limited (2021) [Decision of the Registrar]
- 6. Red Bull GmbH v Sun Mark Ltd & Anr [2012] EWHC 1929 and [2012] EWHC 2046 (Ch) ("Sun Mark")

INTERNATIONAL CONVENTION REFERRED TO:

- 1. Paris Convention for the Protection of Industrial Property 1883
- 2. The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS)



BACKGROUND

- 1. On 3rd March 2020, Tangy Drinks Limited, of Plot No. 10022, Mwembeshi Road, Industrial Area, Lusaka (hereinafter referred to as "the Applicant"), lodged an application for the registration of the trade mark "GLORY AND LABEL" in Class 32, in respect of "Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages."
- 2. The said application was duly assigned Application No. 439/2020, and, having satisfied the initial examination requirements, was accepted and thereafter published in the Zambia Industrial Property Journal, Volume I, No. 5, dated 25th May 2020, at page 234.
- 3. The said trade mark application, No. 439/2020, was opposed by Saglikli Gida Urunleri San. Tic. A.S. (hereinafter referred to as "the Opponent"), of Celaliye Mah. Baglarbasi Cad. No. 55, Tuzla, Istanbul, Turkey. The Notice of Opposition was duly filed on 14th July 2020.
- 4. In its Notice of Opposition, the Opponent raised the following grounds of opposition to the registration of the Applicant's trade mark:
 - trademark registration No. 2017 79096 'GLORY ENERGY DRINK' in class 32 in Turkey in respect of "Beers; mineral and aerated waters and other non-alcoholic beverages; fruit beverages and fruit juices; syrups and other preparations for making beverages," registered on the 11th of January, 2019 and trade mark registration No. 79713 GLORY ENERGY DRINK' in class 32 under African Intellectual Property Organization (OAPI) in respect of "Beers; mineral and aerated waters and other non-alcoholic beverages; fruit beverages and fruit juices; syrups and other preparations for making beverages," registered on the 31st of October, 2014.



- (ii) That the main elements of the Applicant's application is **G GLORY** which is identical or significantly similar to the

 Opponent's trade mark incorporating the word **GLORY** and a **letter G in uppercase and gold colour**. That the goods of interest to the applicant is the same as the goods that the Opponent provides under its trademark.
- (iii) That the Applicants trademark offends the provisions of Section 16 of the Trade Marks Act which prohibits registration of deceptive and identical and/or resembling trademarks respectively.
- (iv) That the Applicant's adoption and filing of its trade mark application appears to be in bad faith. That the Applicant must have had knowledge of the Opponent's reputation in GLORY ENERGY DRINK and by applying for such a similar mark, has done so in bad faith.
- (v) That the Applicant's mark is contrary to the provisions of section 16 and 17 of the Trade Marks Act Chapter 401 of the Laws of Zambia ("the Trade Marks Act) and therefore registration of the mark should be refused.

COUNTER-STATEMENT BY THE APPLICANT

- 5. The Applicant filed its Counter-Statement on 26th November, 2020 and denied all the allegations contained in the Notice of Opposition. The Applicant contended that the Opponent has neither registered nor applied to register its trade mark in Zambia. The Applicant further argued that trade mark rights are territorial in nature and, therefore, the registration of a trade mark in another jurisdiction does not confer protection or rights in Zambia. In this regard, the Applicant relied on section 7 of the Trade Marks Act as being authoritative on the non-enforceability of unregistered trade marks.
- 6. The Applicant further averred that, having not registered its trade mark in Zambia, the Opponent has no rights or remedies under the Trade Marks Act. The Applicant therefore prayed that the Opponent's opposition be



dismissed, that its trade mark application be allowed to proceed to registration, and that an order for costs be granted in its favour.

EVIDENCE IN SUPPORT OF OPPOSITION

- 7. The Opponent's evidence was submitted in the form of an affidavit filed on 8th February 2021, deposed to by Ali Ozpolat Onur Barik, a Director of the Opponent Company.
- 8. The deponent stated that the Opponent was the first to design, use, and continues to extensively use its trade mark incorporating GLORY ENERGY DRINK throughout the world, including in 17 countries within the African continent under the African Intellectual Property Organization (OAPI).
- 9. It was further deposed that the trade mark GLORY ENERGY DRINK is well-known and has amassed more than 2,000 followers on the social media platform Instagram, which is widely used in Zambia and regularly accessed by Zambian citizens.
- 10. The deponent averred that it is highly likely that members of the public in Zambia will erroneously believe that the Opponent has expanded its product portfolio to include the Applicant's mark, G GLORY ENERGY DRINK, when this is not the case. The deponent contended that, due to the confusing similarity between the Opponent's trade mark and the mark which the Applicant seeks to register, there exists a reasonable likelihood that members of the public will be deceived and/or confused.
- 11. The deponent further asserted that the Applicant's adoption and filing of trade mark applications for G GLORY ENERGY DRINK appears to have been made in bad faith, contending that the Applicant must have been aware of the Opponent's reputation in GLORY ENERGY DRINK when applying for a mark so similar.



APPLICANT'S EVIDENCE IN SUPPORT

- 12. The Applicant filed its evidence on 19th April 2021, by way of affidavit deposed to by Manoj Mishra, Chief Executive Officer of the Applicant Company.
- 13. Mr. Mishra deposed that the Applicant was established on 10th May 1996 and carries on business as one of the leading local manufacturers of high-quality fast-moving consumer goods, which are distributed across multiple outlets within Zambia.
- 14. Mr. Mishra further stated that the Applicant is the proprietor of trade mark application No. 439/2020 for GLORY AND LABEL Energy Drink, which was duly examined and accepted by the Patents and Companies Registration Agency in accordance with the requirements of the Trade Marks law concerning the distinctiveness of trade marks.
- 15. Mr. Mishra averred that trade mark rights are territorial in nature; consequently, the Opponent's trade mark, not being registered in Zambia, cannot confer exclusive rights or legal effect within the country.
- 16. Mr. Mishra added that, given that the Opponent has no trade mark rights in Zambia, there is therefore no likelihood of confusion that would arise from the registration of the Applicant's trade mark.

EVIDENCE IN REPLY

- 17. On 14th July, 2021 the Opponent filed a Statutory Declaration in Reply, deposed to by Ali Ozpolat Onur Barik.
- 18. The deponent stated that evidence of a trade mark in Zambia is demonstrated through registration in the Register of Trade Marks, and that, in the absence of such registration, the Applicant cannot assert ownership of the trade mark. The deponent further averred that a search conducted at PACRA on 1st July 2021 revealed that the trade mark GLORY



- AND LABEL is not registered in Zambia. A printout of the search results was exhibited and marked "AB1."
- 19. The deponent asserted that, unlike the Applicant, the Opponent has demonstrated and established ownership of the trade mark G GLORY ENERGY DRINK in multiple jurisdictions. In support, the deponent exhibited trade mark certificates, which were marked "AB2."

THE HEARING

20. A hearing of the opposition was conducted on 24th November 2021. Both parties were represented by Counsel. Mr. Ntasi Silwamba and Ms. Wana Chinyemba of Eric Silwamba, Jalasi & Linyama Legal Practitioners appeared on behalf of the Opponent, while Ms. Bwalya Mutiti of Dench Intellectual Property Consultants appeared on behalf of the Applicant.

Opponent's Oral Arguments

- 21. Learned Counsel for the Opponent indicated that he would make brief oral submissions and rely on the documents previously filed in support of the Opponent's case.
- 22. Learned Counsel for the Opponent contended in his submissions that a perusal of the record reveals a striking similarity between the Applicant's mark and that of the Opponent. He argued that both marks contain a shield-shaped device bearing a prominent capital letter "G" at the centre, together with the word "GLORY" in capital letters. In addition, the font style and the gold colouring used in both marks were said to be identical. Counsel submitted that permitting the Applicant's mark to proceed to registration would be likely to deceive the Zambian public, as the average consumer would reasonably believe that the Opponent had expanded its product range under the "G GLORY ENERGY DRINK" brand.
- 23. Learned Counsel further submitted that the Applicant's attempt to register the mark was made in bad faith. He argued that Zambia is a signatory to the Paris Convention and the TRIPS Agreement, both of which PATENTS AND COMPANIES

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recognise that no time limit shall be imposed for seeking the cancellation or prohibition of the use of a mark registered or used in bad faith. Counsel referred me to Article 6bis of the Paris Convention and Article 16 of the TRIPS Agreement in support of this submission.

24. In closing, Mr. Silwamba submitted that the Applicant's application ought to be refused, as granting it would set an undesirable precedent to the effect that the mere filing of a trade mark application in Zambia could defeat a trade mark recognised in over 17 African countries and registered internationally through the Madrid Protocol. He accordingly prayed that the application be denied and further sought an order for costs in the event that the Opposition succeeded.

Applicants Oral Arguments

- 25. In response, learned Counsel for the Applicant submitted that section 7 of the Trade Marks Act disentitles the proprietor of an unregistered trade mark from instituting proceedings to prevent or to recover damages for infringement of such a mark.
- 26. Learned Counsel further relied on the case of **D.H. Brother Industries** (**Pty) Ltd v Olive Industries** (**Pty) Ltd, S.C.Z. Appeal No. 74 of 2010,** in which the Supreme Court considered whether an unregistered trade mark that resembles, or is identical to, another unregistered trade mark can prevent the latter from being registered under the Trade Marks Act. The Court held that the Act does not afford protection to unregistered trade marks. It was determined that the Appellant's trade mark "DAILY" could not be accorded protection on account of non-registration, notwithstanding that the Appellant had demonstrated sufficient prior use of the mark in Zambia.
- 27. Counsel for the Applicant submitted that the present matter is on all fours with the aforementioned authority, arguing that the Opponent's trade mark is not registered in Zambia and, although registered via WIPO, such registration does not designate Zambia. Counsel <u>further contended that</u>



the Opponent had not adduced any evidence demonstrating an intention to use its trade mark in this jurisdiction, nor had it exhibited any evidence of the presence of its trade mark or related products on the Zambian market.

- 28. Counsel for the Applicant argued that, as a well-established principle, trade marks are territorial in nature. Accordingly, if the Applicant's trade mark were allowed to proceed to registration, there would be no likelihood of confusion or deception among the public, as the Opponent's trade mark is not registered in this jurisdiction, nor does it have any market presence in Zambia
- 29. On the basis of the foregoing submissions, Counsel urged that the Applicant's trade mark be permitted to proceed to registration, relying on the authority of *D.H. Brother Industries (Pty) Ltd v Olive Industries (Pty) Ltd* and the other authorities cited in support of the Applicant's position.
- 30. Subsequently, the parties filed their written submissions, which have been duly considered in the determination of this ruling.

ANALYSIS AND DECISION

- 31. Having considered the grounds of opposition raised by the Opponent, as well as the evidence and submissions of both parties, I have identified the following issues for determination:
 - (i) Whether the Applicant's trade mark "G GLORY ENERGY DRINK" ought to be refused registration on the basis of sections 16 and 17 of the Trade Marks Act, Cap. 401 of the Laws of Zambia.
 - (ii) Whether the Applicant filed its trade mark application in bad faith, with knowledge of the Opponent's reputation, such that registration should be refused.
 - (iii) Whether the registration of the Applicant's trade mark would contravene Zambia's obligations under Article 6bis of the Paris



the use of a mark that constitutes an imitation or translation likely to cause confusion with a well-known mark in that country.

57. However, as previously determined by the Registrar in Britannia Industries Ltd v Britania Products Zambia Ltd (2020), Article 6bis is not selfexecuting; it requires domestic implementation before it can be directly relied upon. The Trade Marks Act, Cap. 401, does not currently provide for the protection of well-known marks as envisaged under Article 6bis. It is also important to indicate that while the Trade Marks Act, 2023 has recognized the right of a proprietor of a well-known trade mark to oppose an application for the registration of a trade mark, this Act has not yet been operationalized as envisaged under section 1 of the said Act. Accordingly, this ground of opposition also fails.

CONCLUSION AND ORDER

- 58. Having found that all the substantive grounds of opposition have failed, the opposition by Saglikli Gida Urunleri San. Tic. A.S. is hereby dismissed. Accordingly, it is ordered as follows:
 - (a) The Applicant's trade mark "G GLORY ENERGY DRINK" shall proceed to registration.
 - (b) The costs of these opposition proceedings shall be borne by the Opponent.
 - (c) The Registry is directed to take all necessary steps to effect the registration of the Applicant's trade mark in accordance with the law.
 - (d) Leave to appeal against this decision, if aggrieved, is hereby granted

Benson Mpalo REGISTRAR OF TRADEMARKS

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Convention or Article 16 of the TRIPS Agreement, on the basis that the Opponent's trade mark is well-known.

- 32. Accordingly, I shall proceed to examine and determine each of the issues identified above, in the order in which they have been presented.
 - (i) Whether the Applicant's trade mark "G GLORY ENERGY DRINK" ought to be refused registration under sections 16 and 17 of the Trade Marks Act, Cap. 40
- 33. Section 16 provides that "it shall not be lawful to 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."
- 34. Section 17(1) on the other hand provides that that no trade mark shall be registered in respect of goods or a description of goods that is identical with, or so nearly resembles, a trade mark belonging to a different proprietor already on the Register, as to be likely to deceive or cause confusion.
- 35. This Office (Trade Marks Registry) has had occasion in previous decisions to explain the relationship between sections 16 and 17 of the Trade Marks Act. It has been clarified that, unlike section 17(1), section 16 encompasses a broader range of grounds upon which an application for registration may be opposed. These grounds may be formulated as follows:
 - i. Where the proposed trade mark is likely to deceive or cause confusion;
 - ii. Where the registration of the proposed trade mark would be contrary to law or morality; and
 - iii. Where the proposed trade mark, or any part thereof, constitutes a scandalous design.



36. This interpretation is anchored on the interpretation of identical provisions, namely, sections 11 and 12(1) of the UK Trade Marks Act 1938 in the case of **Berlei (UK) Ltd v Bali Brassiere Co. Inc.** [1969] RPC 472 (HL). In that case Lord Wilberforce explained, while referring to the two provisions, that section 11 (our section 16) is broader in scope, extending to matters not comprehended by section 12(1) (our section 17(1)). He added that:

"Even as to the common criterion that a mark is likely to deceive or cause confusion, section 11 has wider scope than section 12(1) ... Section 11 is not limited. It extends to cases where the public is likely to be deceived or confused merely by the mark in question per se."

- 37. The implication of the above interpretation is that even where the Opponent relies on section 16, alleging that the proposed trade mark is likely to deceive or cause confusion, this ground is broader and more multifaceted than section 17(1), which is concerned solely with the likelihood of deception or confusion arising from the resemblance between the proposed trade mark and an existing registered mark.
- 38. Lord Wilberforce in **Berlei (UK) Ltd v Bali Brassiere Co. Inc** explained that this provision (that is section 16) extends to cases where the public is likely to be deceived or confused merely by the mark itself. To elaborate, this may occur for example, where the proposed trade mark directly refers to the character or quality of the goods, their geographical origin, or their intended use or purpose. This, in my view, is in fact the rationale for the requirement for registration of a trade mark under section 14(1)(d).
- 39. With the foregoing in mind, I will now examine the Opponent's arguments based on section 16. The Opponent has argued that the registration of the Applicant's proposed trade mark is likely to deceive or cause confusion in light of the Opponent's prior use of its own mark. The basis is of this argument is the alleged resemblance between the Applicant's proposed 'GLORY AND LABEL' trade mark and the Opponent's own existing 'GLORY AND COMPANIES PATENTS AND COMPANIES

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ENERGY DRINK trade mark. In essence, the Opponent does not allege that the Applicant's mark is inherently deceptive or confusing, but rather that confusion would result from the Opponent's prior use of a similar mark.

- 40. In the Registrar's decision in *Britannia Industries Ltd v Britania Products Zambia Ltd (2020*), it was noted, drawing from *Berlei (UK) Ltd v Bali Brassiere Co. Inc.*, that where an Opponent relies on prior use under section 16, the key question is whether, having regard to such use, the public is likely to be deceived or confused by the Applicant's mark. In such cases, the Opponent must demonstrate actual use and provide evidence of what Lord Upjohn described as "the practical likelihood of confusion to the public."
- 41. Having reviewed the Opponent's affidavit evidence, deposed by Mr. Ali Ozpolat-Onur Barik, together with the evidence in reply, I find no evidence of use of the Opponent's mark in the Zambian market, nor any proof of actual confusion among the public.
- 42. Further, the Applicant contends that Opponent's ground of opposition under section 16 is untenable in view of the Supreme Court's decision in D.H. Brothers (Pty) Ltd v Olivine Industries (Pty) Ltd (SCZ Judgment No. 10 of 2012).
- 43. To the extent that the Opponent relies on the ground of resemblance between two marks both under section 16 and section 17(1), it's important to recall that the Supreme Court held in *D.H. Brothers v Olivine* that the two provisions must be read together. Therefore, this brings me to section 17(1) of the Act.
- 44. Under section 17(1), the Opponent contends that the Applicant's mark G GLORY & Label is phonetically, visually, and conceptually similar to its GLORY ENERGY DRINK mark, and that both are used in relation to the



same class of goods. The Applicant, on the other hand does not dispute the alleged similarity between the marks. Rather, the Applicant contends that the Opponent's mark lacks registration in Zambia and cannot therefore rely on section 17(1) of the Act.

- 45. It is therefore important to examine the application of section 17(1) to this matter. In terms of section 17(1), two key elements are required to be satisfied. Firstly, the Opponent has to demonstrate that the Applicant's trade mark is identical or nearly resembles the Opponent's **registered trade marks**. Secondly, that the Applicant's trade mark application is in respect of the same goods or description of goods.
- 46. As earlier indicated, the Applicant does not appear to contest the resemblance between the trade marks in issue. The Applicant's position is simply that the Opponent's trade mark is not registered in Zambia. For the avoidance of doubt, section 17(1) provides as follows:-

"17(1) 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 a trade mark belonging to a different proprietor and already on the register in respect of the same goods or description of goods, or that so nearly resembles such a trade mark as to be likely to deceive or cause confusion." (Emphasis added)

47. It is evident from the foregoing provision that a trade mark is not be eligible for registration where it is identical to, or bears such close resemblance to, a trade mark already recorded on the Register as to be likely to deceive or cause confusion. For purposes of the Act, section 2 defines the term "Register" as "the register of trade marks kept under the provisions of this Act." Accordingly, in considering an application for registration, the Registrar is obliged to examine the proposed trade mark against the



existing entries in the Register to determine whether identity or a likelihood of confusion exists.

- 48. The Applicant contends that, while the Opponent may have registered its trade mark in other jurisdictions and under the WIPO Madrid Protocol, it has not designated Zambia in any of its international registrations. The Opponent has neither disputed this assertion nor provided evidence of local registration. In the absence of proof that the Opponent is the proprietor of a trade mark already recorded on the Zambian Register, I find that the essential requirement under section 17(1) of the Act has not been established. Consequently, section 17(1) cannot operate to prevent the registration of the Applicant's GLORY & Label trade mark.
- 49. Having found that the Opponent's ground under section 17(1) fails, and having earlier determined that there is no evidence of use of the Opponent's mark in the Zambian market or proof of actual confusion among the public, it follows that the ground based on section 16 also fails.
 - (ii) Whether the Applicant filed its trade mark application in bad faith
- 50. The Opponent alleged that the Applicant filed its trade mark application in bad faith, relying on assertions of reputation and prior knowledge.
- 51. The Registrar has previously considered the issue of bad faith in trade mark matters. In <u>Jashevas General Dealers v Ramas Suppliers Ltd</u> (2021), reference was made to Red Bull GmbH v Sun Mark Ltd & Anr [2012] EWHC 1929 (Ch), where the court held that an allegation of bad faith "is a serious allegation which must be distinctly proved." While the standard of proof is on the balance of probabilities, the court emphasized that "cogent evidence" is required to substantiate such a claim.
- 52. In *Hotel Cipriani SRL v Cipriani (Grosvenor Street) Ltd [2008] EWHC*3032 (Ch), the court held that the determination of bad faith requires an assessment of: (a) what the applicant knew; and (b) whether, in light of



that knowledge, the applicant's conduct was dishonest by the standards of ordinary honest people. Accordingly, the Opponent bears the burden of proving circumstances that would justify a finding of bad faith. In this matter, the Applicant maintains that no cogent evidence has been presented to substantiate the allegation.

- 53. Upon review of the Opponent's affidavit, I note that, although it alleges that the Applicant must have been aware of the Opponent's reputation in respect of GLORY ENERGY DRINK, no supporting evidence has been provided to substantiate this claim. In other words, the Opponent's evidence was primarily affidavit assertions that the Applicant "must have known" of the Opponent's reputation. No direct evidence was adduced to demonstrate that the Applicant acted dishonestly or with intent to deceive.
- 54. The Opponent has further argued that bad faith may arise where an applicant seeks to register a mark that is identical or highly similar to a mark enjoying a reputation in the relevant jurisdiction, even if that mark is unregistered locally. However, the Opponent has produced no evidence to demonstrate that its mark enjoys any reputation or recognition in Zambia.
- 55. I therefore find no basis to conclude that the Applicant acted in bad faith in filing its application for *G GLORY ENERGY DRINK*. This ground accordingly fails.

(iii)Whether the registration of the Applicant's trade mark would contravene Article 6bis of the Paris Convention or Article 16 of the TRIPS Agreement.

56. The Opponent further contends that the registration of the Applicant's mark would contravene Article 6bis of the Paris Convention and Zambia's obligations to protect well-known marks. Article 6bis provides, inter alia, that member countries shall refuse or cancel the registration and prohibit

