

**DECISION OF THE REGISTRAR OF TRADE MARKS IN THE MATTER OF
TRADE MARK OPPOSITION NO. 663/2009 DOUBLE BUBBLE LABEL IN
CLASS PURSUANT TO THE TRADE MARKS ACT CAP 401 OF THE
LAWS OF ZAMBIA AND REGULATIONS THEREUNDER**

Between

ZAYAAN INVESTMENTS LTD



APPLICANT

And

CONCORD INVESTMENTS ULC

OPPONENT

Before Mr. Anthony Bwembya, Registrar of Trademarks

For the Applicant : Mr. S.I. Limbada of Christopher, Russell Cook & Co.,
appearing with Ms. N. Mapunda

For the Opponent : Ms. A. D. Theotis of Galloway & Co., appearing with
Mr. V. Williams

Cases and Authorities referred to:

Trade Marks Act Cap. 401 of the Laws of Zambia

Trade Mark Opposition 206/2007 IDEAL

Societe Des Produits v Kingdom Investments Ltd (unreported)

Glaxo Group Ltd v Dowelhurst Ltd (2000) EWHC Ch 134

This is a matter in which Concord Brands ULC of Edmonton, Alberta, Canada, (hereinafter referred to as 'the Opponent'), is opposing the registration of trademark 663/2009 DOUBLE BUBBLE in class 30 by Zayaan Investments Ltd, a Zambian company (hereinafter referred to as 'the Applicant'. The trademark application leading to this opposition was lodged

on 31st August 2009. The Applicant is seeking trademark registration in respect of confectionary, sweets, bubble and chewing gum.

The application was duly examined and a conditional acceptance issued on 6th November 2009. The condition was that registration would not entitle the Applicant to exclusive rights to use of the word 'Bubble' save in the precise manner and association in which it was depicted in the specimen filed with the application. The Applicant had the mark advertised in the trademarks journal of 25th November 2009 in accordance with section 23(1) of the Trade Marks Act Cap 401 of the Laws of Zambia. The opponent instituted these opposition proceedings on 25th February 2010.

Five (5) grounds were advanced, namely, that registration would be contrary to section 16 as the mark is likely to deceive or cause confusion; the Applicant is not the proprietor of the trademark or has applied in fraud of the rights of the opponent; the Applicant does not intend to use the trademark; and that the respondent does not intend to use the mark as a 'trademark' in accordance with section 2 of the Trade Marks Act. I was therefore invited to reject the application.

The Opponent averred in the accompanying statement of case that it was the registered proprietor in Zambia of trademark 587/60 DUBBLE BUBBLE & DESIGN in class 30 (registered on 21st March 1960), under which mark it sold chewing gums and sweets not in Zambia and the rest of Africa, but which mark had nonetheless lapsed on account of oversight. That by reason of use of the mark in Zambia, the opponent has acquired common law and statutory rights in the trademark and intends to re-apply for protection in Zambia.

In resisting the opposition, the Applicant argued in its counterstatement that as the mark lapsed and was never renewed as required by section 25 of the Act and the one year grace period for renewal under section 25(5) expired,

the Opponent does not enjoy any rights in the DOUBLE BUBBLE trademark in Zambia and cannot therefore claim protection under sections 9 and 10 of the Trade Marks Act. It was contended that in the light of the foregoing, the opponent cannot oppose the instant application.

The Applicant further denied that its DOUBLE BUBBLE mark was a fraud or infringed on any registered rights. It was argued that it is trite law that use of an unregistered trademark does not confer exclusive legal rights, as such, the opponent cannot rely on common law rights to claim statutory protection. The argument was that in terms of section 17 of the Act, protection only relates to registered marks. Similarly, that mere allegation of prior use does not suffice for purposes of section 16. On the contrary, it was contended, the Applicant has a registered business engaged in production of confectionary products, including bubble gums and sweets, and therefore has the capacity and bona fide intention to produce and market the products under the DOUBLE BUBBLE trademark. In the premises, the Applicant further argued, the opposition lacks merit and should be dismissed with costs.

Opponent's counsel, Mr. Joseph Nombo Sianyambo, deposed to an affidavit in support of opposition. He reiterated that the opponent had registered trademark DUBBLE BUBBLE & DESIGN in class 30 on 21st March 1960 which had not been renewed however and thus lapsed and that the opponent intended to re-apply for it. His evidence was further that the opponent is the registered proprietor of DUBBLE BUBBLE in class 30 in Zimbabwe, Ghana, Egypt, Zanzibar, Botswana, Lesotho, Nigeria, South Africa, Swaziland, Tanzania and had pending registrations in OAPI. Copies of registration and renewal certificates were exhibited as 'B1 to B8'.

Counsel further deposed that in addition to the countries listed above, the opponent is the registered proprietor of the mark in several European, Asian and Arabic countries. Examples of packaging material bearing DOUBLE

BUBBLE were exhibited as 'A1' to 'A25'. He added that the opponent enjoys copyright in the representation on the packaging as well as the words 'Double Bubble' in Zambia. The trademark DUBBLE BUBBLE is well known in Zambia and globally and by reason thereof, the Opponent has acquired common law and statutory rights. Mr. Sianyabo added that a survey conducted on the Zambia market did not find any product bearing the DOUBLE BUBBLE trademark. In his view, this proved that the Applicant has no intention of using the mark. He reiterated that I dismiss the Application.

Mr. Safique Mohamed Munshi, the Applicant's Executive Director, responded by way of an affidavit in support of application. He admitted the opponent's claim in paragraphs 4 while denying paragraph 5 of its affidavit as false. He deposed that paragraph 6 demonstrated that the opponent had no registered rights that could be infringed, a proposition that in his view is consistent with section 9. He further deposed that paragraphs 7 to 10 are irrelevant as registration is territorial and subject to the relevant domestic legislation. Similarly, claims in paragraph 12 and 13 on 'well known' marks were said to be immaterial. He deposed that well known marks do not require registration and opponent's claim was misplaced. He added that paragraph 11 appeared to import a reference that the opponent enjoys rights of copyright that have been infringed by the Applicant.

As regards paragraph 14 of the opponent's affidavit, he deposed that the Applicant's range of products on the market includes biscuits, sweets and bubble gums. His evidence was further that the delay in developing and launching DOUBLE BUBBLE was occasioned by the instant opposition but that this did not in any way constitute non-use of the trademark as alleged by the opponent. He added that the Applicant was the registered proprietor of trademark 626/2008 CHICCOBALLGUM which was already on the market. A copy of this label was exhibited as 'SMM1'. According to the Applicant, this is evidence that the respondent is engaged in the business of bubble gums.

Opponent's counsel, Ms. Anne Armanda Desire Theotis, deposed to an affidavit in reply. She denied the claims made in paragraph 3 of the Applicant's affidavit as untrue. She deposed that trademark 587/1960 had not been removed from the register and was as such valid and in force and valid for purposes of section 17(1). To that end, she exhibited a search printout from the trademark electronic database. Ms. Thoetis contended that given that trademark 663/2009 is identical and/or confusingly similar to the said trademark 587/1960, the applicant's Application was erroneously accepted for registration. Accordingly, the Applicant's application should fail.

Further, Ms. Amanda argued, section 25(5) of the Trade Marks Act provides that where a trademark is removed from the register for no-payment of renewal fees, it shall nevertheless, for purposes of any application for the registration of trademark during one year next after the date of removal, be deemed to be a trademark that is already on the register. It accordingly follows that the applicant's application having been lodged on 31st August 2009 before the expiry of the one year grace period on 21st March 2009, the application should not have been accepted. Consequently, if the Registrar does not find favour with section 17(1), section 25(5) is still applicable. Further, the Opponent is in the process of attending late renewal of its registration. In answer to the Applicant's affidavit, the opponent denied the contents thereof.

The affidavit evidence was supplemented by oral arguments at a hearing held on 13th October, 2011. Ms. Theotis, for the Opponent submitted that she wished to rely on the Opponent's opposition and statement of case, founding affidavit filed on 12th October, 2010 and affidavit in reply filed on 12th May, 2011. She also prepared written heads of arguments of the opposition for ease of reference and availed to the Tribunal and wished to highlight a couple of points.

She submitted that at the time of filing the opposition, she was unable to access the register due to a technical problem. The register has since been accessed and a printout of the register had been exhibited in the affidavit in reply marked as Annexure 'A". She contended that the tribunal will note from the printout that CONCORD's mark DUBBLE BUBBLE is still indicated as registered and not been removed from the register and that the Registrar should not have allowed/accepted the Applicant's application for advertisement because the Opponents mark was still on the register. She referred the tribunal to section 25 (5) of the Trade Marks and stated that since the Opponents trademark had not been removed from the register by the Registrar for want of following laid down procedures under Regulations 67 and 68 which in her opinion could have been due to the fact that the record could not be accessed for whatever technical reasons.

She added that CONCORD's trademark was due for renewal on 23rd March 2009 and that the Applicants' application was filed on 31st August 2009, which was in fact not even one year after the CONCORD's mark was due for removal.

Mr. Limbada, for the Applicant, responded by stating that his argument would essentially flow from section 9 (1) of the Trade Marks Act. He reiterated that according section 9 if a trademark had no proprietor, then it was open for any other person to register that mark. According to Mr. Limbada, this was the bone of contention and merely obtaining of a printout by the Opponent does not indicate that the mark is registered as shown by the Opponent at Annexure 'A'. He argued that a close perusal of the document states quite clearly that the mark expired on 21st March 2009 and is misleading to purport that is still registered when only a record of the previous registration DOUBLE BUBBLE is on the register. He further submitted that accordingly the

Opponent was simply no longer the proprietor of DUBBLE BUBBLE as the mark was non-existent or expired.

He further contended that section 25 of the Trade Marks Act stipulates that the Registrar is entitled to remove a mark from the register if a proprietor fails to renew the mark and that in this instance it was clear that CONCORD had failed to renew the mark. He further submitted that whereas the Opponents contended that section 25 (5) of the Act stipulates that the Registrar should not have accepted the application by the Applicants of the mark DOUBLE BUBBLE because the mark should have been deemed to be on the register for one year next for purpose of any application, it was his opinion that Section 25 (5) also applies in a scenario where there has been a bona fide trade use of the mark three years prior to its removal.

Mr Limbada also submitted that failing the aforementioned, the Opponents could not rely on the purported protection of Section 25(5) in the present circumstances.

I am indebted to both Counsel for their learned submissions. Having navigated through the affidavit evidence of both parties, it is evident that several issues have arisen from this opposition and it is incumbent upon me to provide some clarification where necessary. The fundamental issue, essentially, is whether the opponent can rely on rights subsisting in a trademark that has lapsed and is still on the register and, if so, whether the two marks are confusingly similar. Let me point out from the outset that a registered trademark confers exclusive rights on the registered proprietor to use the mark in the course of trade. A trademark therefore enjoys statutory protection if registered.

It is common cause that trademark protection is subject to renewal upon expiry of each term. Upon expiration of the term of protection, the mark lapses and loses protection. Section 25(5), however, provides a one year

grace period within which a mark similar to a lapsed mark may not be registered. It thus effectively provides for a one year grace period within which to renew a mark. Trademark 587/60 having been renewed on 21st March 1995, was due for renewal on 21st March 2009. As conceded by the Opponent, however, the mark was not renewed when its term of protection expired. The Opponent, in its evidence, has in fact conceded that it is in the process of reapplying.

Be that as it may, my reading of the Act is that statutory rights subsist in a mark that has lapsed provided that it has not been removed from the register. Accordingly, the Opponent was on firm ground that statutory rights in their trademark still subsisted because their mark was still on the register pursuant Section 25(5) which states :

“Where a trademark has been removed from the register for non-payment of the fee for renewal, it shall, nevertheless, for the purpose of any application for the registration of a trademark during one year next after the date of the removal, be deemed to be a trademark that is already on the register...”

I must add, however, that the Office did indeed send notice as required by statute to inform the Opponent to renew their mark pursuant to Regulation 65, a notice dated 25th August 2009. However, the Office, in error of procedure did not remove the mark from the register, by advertisement in the journal pursuant to Regulation 67 and 68. It goes without saying, therefore, for purposes of Section 25 (5), though the Opponents mark was not renewed, it still enjoys statutory protection being on the register. As such, the registered proprietor has exclusive rights to the mark.

Further, the Applicants mark was erroneously accepted because at the time of its application, the Opponent's mark was due for renewal and the grace period for such renewal had not elapsed.

I am further fortified in my position by Section 57 which read;

“In all legal proceedings relating to a registered trademark, the fact that a person is the registered proprietor of the trade mark shall be prima facie evidence of the original registration of the trademark and of all subsequent assignments and transmissions thereof.”

In addition, the Act in Section 2 defines a registered trademark as “a mark that is actually on the register”. In view of the foregoing, it is important to point out that registration of the Applicant’s mark DOUBLE BUBBLE would be in contravention with section 17(1) which provides that:

“Subject to the provisions of subsection (2), no trademark shall be registered in respect of any goods or description of goods that is identical with a trademark 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 trademark as to be likely to deceive or cause confusion.”

The Applicants argument that the Opponent’s mark would violate the provisions of section 9 (1), does not hold, where proof of registration of a mark by the registered proprietor is evidence of validity.

The question of validity of a lapsed mark for non-renewal was considered by the High Court in the case of Societe Des Produits Nestles v Kingdom Investments Ltd (unreported). The learned trial judge in this case held *inter alia* that :

“The intention of the legislature was to make the process of renewing trademarks Registrar-driven, rather than registered proprietor driven...”

“...before expiration of the last registration of the trademark the Registrar shall send notice to the registered proprietor of the date of

expiration and the conditions as to payment of fees upon which renewal of registration may be obtained...if at the expiration of the time prescribed on that behalf those conditions have not been duly complied with, the registrar may remove the trademark from the register...by the use of the word shall this statutory provision makes it mandatory for the Registrar to notify the Registered proprietor of the trademark of the pending expiry of his or her trademark...it follows therefore that the Registrar can only remove the trademark from the register after failure by the registered proprietor to comply with conditions contained in the notice.”

As to enjoyment of copyright, whereas it is possible for a label to constitute copyrightable matter and enjoy copyright protection, copyright protection can only be enforced under copyright law. Trademark registration, *per se*, does not confer copyright. It is to be noted that consistent with the doctrine of ‘specificity’, protection is not wholesale but confined to the goods in respect of which a mark is registered. Thus, for instance, registration of a mark in respect of pharmaceutical products in class 5 would not preclude the use of the same mark in respect of musical instruments in class 15. Protection can only be extended to all types of goods upon registration of the mark in all the classes or defensively. As far as trademark law is concerned, the issue narrows down to whether two marks are likely to confuse the consuming public.

British courts have had the opportunity to consider the question of copyright in a registered trademark. In **Glaxo Group Ltd v Dowelhurst Ltd (2000) EWHC Ch 134**, Laddie J. also came to the conclusion that trademark registration did not confer copyright. He observed and I quote: -

‘Not infrequently courts, lawyers and clients refer to trademarks as creating monopolies or discuss them in terms which suggest

that that is so. But trademark rights do not create monopolies in the true sense. Although trademarks give rise to exclusive rights as an indication of the source and quality of goods, it is only when relating to goods they have life or value. A trademark is not a type of copyright. A proprietor does not obtain a monopoly in the mark as such. Mere copying of a mark, for example by writing it down on a piece of paper, even in the course of business, does not per se infringe any trademark rights. The result is that the same or similar marks can be owned by different proprietors in respect of dissimilar goods or businesses. This is every day experience. The name Lloyds is used as a mark by, among others, a pharmacy chain, a bank and an insurance market and the mark Granada has been used by unrelated companies in respect of motor cars and a television rental business. A mark is always associated with particular goods. It is for this reason that there is an international classification of goods for trademark application purposes....'

The other limb of the Applicant's arguments concerns the non-availability of the Opponent's mark on the market, none use of the mark. Applicant's counsel, in his affidavit, suggested that none availability of the Opponent's mark on the market proved that the Opponent has no intention of using the mark. It is to be noted that under section 2, a trademark includes one that is proposed to be used. Thus, one need not be using the mark at the time of filling the application. But as counsel correctly implies, there should be an intention to use it. However, it does not necessarily follow that because the Opponent is not using a mark, he has no intention of using it. Further and more importantly, section 31(1)(a) of the Trade Marks Act suggests that a challenge as to intention to use the mark should be made subsequent to registration. It provides: -

'31. (1) Subject to the provisions of section thirty-two, a registered trade mark may be taken off the register in respect of any of the goods in respect of which it is registered on application by any person aggrieved to the High Court or, at the option of the applicant and subject to the provisions of section sixty-four, to the Registrar, on the ground either-

(a) that the trade mark was registered without any bona fide intention on the part of the applicant for registration that it should be used in relation to those goods by him and that there has in fact been no bona fide use of the trade mark in relation to those goods by any proprietor thereof for the time being up to the date one month before the date of the application'.

I have not been provided with any evidence to prove that the registration of trademark no. 587/60 was without bona fide intention on the part of the Applicant.

In sum, I take the view that the Applicant's mark cannot proceed for purposes of registration under the Trade Marks Act, as it would be confusingly similar to the Opponent's mark DUBBLE BUBBLE which is still valid for the reasons I have already stated. For the foregoing reasons, the opposition succeeds. Each party will bear its costs of and incidental to this opposition. Leave to appeal if dissatisfied with the decision herein is hereby granted.

DELIVERED THIS 28th DAY OF OCTOBER, 2011



Anthony Bwembya
REGISTRAR OF TRADEMARKS

