UGANDA REGISTRATION SERVICES BUREAU

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THE TRADEMARKS ACT, 2010

IN THE MATTER OF TRADEMARK REGISTRATION No. 44668 "MORNING DEW" IN CLASS 32 IN THE NAMES OF X-TRA INDUSTRIES LTD

AND

IN THE MATTER OF AN APPLICATION FOR CANCELLATION BY PEPSICO, INC.

BEFORE: AGABA GILBERT, ASST. REGISTRAR TRADEMARKS

1- Pepsico, Inc of 700 Anderson Hill Road, Purchase, New York, United States of America (herein the Applicant) applied on the 26th July 2013 for cancellation of trademark "MORNING DEW"; registration number 44668 in respect of goods in class 32.

2- The trademark "MORNING DEW" was registered to X-tra Industries Ltd of P.O Box 35126, Kampala (herein the Respondent) on the 1st February 2012, in respect of mineral water in class 32.

3- The application for cancellation was accompanied by a statement of the case both of which were transmitted to the Respondent who filed their counterstatement on 2nd December 2013. The Respondent did not file their counterstatement in time nor pay the requisite fee.

4- On 26 November 2014 after requests for time extensions, the Applicant filed their evidence by way of statutory declaration albeit a copy thereof promising to submit the original, in their words "shortly". The original was submitted and allowed on the record on 1st December 2014.

5- By a letter dated 2nd October 2015, the Applicant's evidence was transmitted to the Respondent's counsel by Mr. Nsubuga Fred William who swore an affidavit to that effect proving that the Respondent was served.

6- Though the Respondent was served, they did not file their evidence. The matter nonetheless, proceeded to hearing whereupon the Respondent was again served with the hearing notice.

7- On the date of the hearing to-wit 10th March 2016, Counsel Eva Nalwanga of Kasirye, Byaruhanga Advocates appeared and requested for adjournment to verify whether they still had instructions from the Respondent.

8- After a seven day adjournment, the Respondent's counsel appeared and stated that the Respondent Company was sold off and they had no instructions from the Respondent.

9- I ruled that the matter should proceed exparte as the alleged change in status of the Respondent was not on the register and thus the registered proprietor of the mark "MORNING DEW" as reflected in the Register had chosen to put themselves out of the proceedings. The hearing proceeded exparte.

10- The Applicant's main argument is that they are the registered proprietor of trademark "MOUNTAIN DEW", registration number 20225 from 29th August 1996 in class 32 and that "MORNING DEW" registered to the Respondent is confusingly similar to their registered mark.

11- To support their argument, the Applicant submitted evidence by way of statutory declaration by Mr. Joseph J. Ferretti, the Assistant Secretary of Pepsico, Inc.

12- The application for cancellation is grounded in section 88 taken together with section 6, 23 and 25 all of the Trademarks Act.

13- Section 88(1)trademarks Act states:

> *"A person aggrieved by an omission, entry, error, defect or an entry wrongly remaining on the register, may apply in the prescribed manner to the court and subject to section 64, to the registrar, and the court or the registrar may make an order for making, expunging or varying the entry as the court or the registrar, as the case may be, may think fit."*

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14- Therefore, the Registrar has power to rectify the register but the Applicant has to show that first, there is an entry on the register; secondly, the said entry wrongly remains on the register and third that the Applicant is aggrieved by continued remainder of the entry on the register.

15- Aggrieved person was defined by McLelland J in **Ritz Hotel Ltd v Charles of the Ritz Ltd (1988) 15 NSWLR 158**, where he stated:

> *"Decisions of high authority appear to me to establish that the expression has no special or technical meaning and is to be liberally construed. It is sufficient for present purposes to hold that the expression would embrace any person having a real interest in having the Register rectified, or the trade mark removed in respect of any goods, as the case may be, in the manner claimed, and thus would include any person who would be, or in respect of whom there is a reasonable possibility of his being, appreciably disadvantaged in a legal or practical sense by the Register remaining unrectified, or by the trade mark remaining unremoved in respect of any goods, as the case may be, in the manner claimed."*

16- The Applicant in my opinion has demonstrated a real interest and I find that they are an aggrieved person.

17- It seems that the Applicant is aggrieved by the fact that the mark "MORNING DEW" which resembles their registered mark "MOUNTAIN DEW" remains on the Register.

18- "MORNING DEW" was registered from 1st February 2012 which is 16 years after the "MOUNTAIN DEW" was registered. The Applicant did not oppose the registration. The Respondent's registration according to section 58 of the Trademarks Act is valid *primafacie*. The onus is therefore, on the Applicant to invalidate this registration.

19- The Applicant argues that the registration of resembling marks is prohibited by section 25 of the Trademarks Act. That the intention is to prevent a likelihood of confusion that may arise from resembling marks being put on the register.

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20- Section 25 (1) provides:

"Subject to section 27, a trademark relating to goods shall not be registered in respect of goods or description of goods that is identical with or nearly resembles a trademark belonging to a different owner and already on the register in respect of—
(a) the same goods;
(b) the same description of goods;..."

21- Case law regarding examination of marks is well settled and summarized in the case of the **PIANOTIST CO LTD 23 RPC 77** where Parker J said:

"You must take the two words. You must judge of them both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of these trademarks is used in a normal way as a trade mark for the goods of the respective owners of the marks."

22- Both marks are represented herewithbelow:

Applicant's Mark	Respondent's Mark
MOUNTAIN DEW	**MORNING DEW**

23- Phonetically both marks sound different and in fact mean different things. The Applicant's mark comprises of the words "MOUNTAIN DEW" which can be loosely translated to mean condensed water droplets on or from the surface of a mountain i.e dew on or from a mountain whereas "MORNING DEW" loosely translates to condensed water droplets in or of that part of a day from midnight to noon i.e dew in or of the morning. In that regard, the marks are different.

24- But we know that a mark is perceived as a whole and consumers do not proceed to analyse its various details. See **Sabel v Puma AG [1998] R.P.C.199** at paragraph 23.

25- Therefore, notwithstanding the differences in meanings of the words comprised in both marks, the idea evoked when perceiving both marks is one of striking similarities.

26- Both marks are word marks; both start with the letter "M" for the first word and end with the identical word "DEW" for the second part of the mark. Both lack any particular outstanding flourishes and both resemble in length of the words although "MOUNTAIN DEW" is longer by one letter.

27- The similarities in the conceptual aspects of the representation of the marks are so compelling to be treated as just mere coincidences.

28- Also, it should also be borne in mind that both marks are in respect of the same goods, mineral water. In the case of **Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen B. V. paragraph 27** it was held that the average consumer of the goods/services in question though deemed to be reasonably well informed and reasonably circumspect and observant rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture they have kept in their mind.

29- And in **Australian Woollen Mills Ltd v FS Walton & Co Ltd (1937) 58 CLR 641 at 658**, Dixon and McTiernan JJ said:

> *"Potential buyers of goods are not to be credited with any high perception or habitual caution. The course of business and the way in which the particular class of goods are sold, the setting, and the habits and observation of men [should be] considered".*

30- The goods in issue are similar and will be sold, distributed, marketed and consumed in similar ways. It is also my opinion that mineral water does not require any more discernment for a consumer than is necessary for said consumer to determine that the water is branded in terms of the general impression created by the mark they are interested in. Accordingly, due to the conceptual similarities which in my opinion outweigh the phonetic differences

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on account of the nature of the goods and other surrounding circumstances, the marks "MORNING DEW" and "MOUNTAIN DEW" resemble.

31- Before I conclude this issue, it was the Applicant's evidence that they registered their mark in 1996 and have since maintained the same on the register; that the Applicant has also been using the mark "MOUNTAIN DEW" since 2009 and has through advertisement and extensive use acquired reputation and goodwill among the public; this fact being proved with evidence of invoices and promotional material.

32- Notwithstanding, that the mark was in use in Uganda for three years before the Applicant's application in 2012, I have no reason to doubt the Applicant's extensive use and acquired reputation especially since the Respondent did not challenge this fact.

33- In **Sabel v Puma AG [1998] R.P.C.199**, paragraph 24 it was stated that there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it. And in **Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc [1999] R.P.C. 117** it was held that in determining whether similarity between the goods or services covered by the two trademarks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account.

34- The Applicant's mark "MOUNTAIN DEW" was registered earlier to-wit in 1996, has been in use since 2009 and had acquired reputation and goodwill plus the mark is itself distinctive. It therefore highly likely that use of the Respondent's mark "MORNING DEW" will deceive the public as to the source of the relevant goods.

35- Registration of the Respondent's mark "MORNING DEW" was in error as it ought not to have been registered because it resembled the Applicant's mark "MOUNTAIN DEW" which was already on the register in respect of the same goods. See section 25(1) Trademarks Act.

36- Therefore, trademark registration number 44668 "MORNING DEW" in the names of X-tra Industries Ltd is an entry wrongly remaining on the

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register and it shall be accordingly expunged. The Respondent shall bear the costs of this application.

37- I so order

Dated this 20th day of July 2017

AGABA GILBERT

AGABA GILBERT
Asst REGISTRAR TRADEMARKS

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