REPUBLIC OFB KENYA

IN THE HIGH COURT AT NAIROBI

CIVIL APPEAL NO. 616 OF 2012

PHARMAKEN LIMITED……..APPLICANT/APPELLANT

VERSUS

LABORATORIES ALMIRALL S.A……OPPONENT/RESPONDENT

J U D G M E N T

On 14th August 2008, the Applicant/Appellant applied for registration of the trade mark "**ZYRTAL MR"** in class 5 for human medicine. The application was examined and later approved for advertisement. It was thereafter advertised in October 2008 edition of the Industrial Property Journal. The Opponent/Respondent filed a notice of opposition to the registration of the mark on 23rd December 2008. The Respondent stated that it owns the trade mark number 39575 **"AIRTAL"** in class 5 which has become well known to the Kenya public. The Respondent further alleged that the said application resembles their trade mark **"AIRTAL"** visually and phonetically and that confusion would arise in the mind of the public. The Respondent also claimed the goods covered by the Appellant mark were identical and of the same character, nature or description to the goods on which their mark is used.

In response the Appellant filed a counter statement denying that the trade mark resembles the opponent's trade mark in any way as the packaging of the two trademarks were entirely different in both shape and size. The Appellant also claimed that the goods covered by the two marks were not identical as the active ingredient in the two products was different. The Appellant further stated that the two products were not over the counter products and therefore the issue of confusion would not arise since the choice as to what products to buy or consume would be made by a doctor through a prescription.

Parties filed and exchanged their statutory declarations and the matter was set for hearing on 29th September 2011. The parties further agreed to prosecute the matter by way of written submissions which were filed and served. The Registrar of Trademarks delivered his ruling on 20th June, 2012, denying the registration of the mark **"ZYRTAL MR"** stating that registering the mark would be contrary to the provisions of Section 15 of the Trade Marks Act. Cap 506.

The Appellant being aggrieved by the said decision of the registrar filed an appeal in this court on the following grounds:-

1. **The Registrar erred in law by determining the matter solely under section 15 of the Trade Marks Act whereas the opponent in their notice of opposition made their prayer for refusal of registration of trade mark number 63860 "ZYRTAL MR" in class 5 solely under section 14 of the Trade Mark Act.**
2. **The Registrar erred in law by misapplying the legal principles of assessing whether there is a confusing similarity between trademarks to find that the trade mark number 63860**

"ZYRTAL MR" in class 5 is similar to trade number 39575 AIRTAL.

3. **The Registrar erred in fact by disregarding the letter "MR" in concluding that the trade marks "ZYRTAL MR" and "AIRTAL" when viewed side or compared phonetically, bear a resemblance and that there exists a real likelihood of confusion among members of the public.**
4. **The Registrar failed to address the factual relevance of the nature and kind of customers who are likely to buy the prescription goods bearing the two trade marks is a confusing similarity between the "ZYRTAL MR" and the "AIRTAL" trademarks.**
5. **The Registrar failed to address the relevance of the fact that goods bearing the two trademarks are sold in packaging that is not similar in terms of the get up, size, shape, number of tablets per park, colour of the tablets and that goods bearing the "ZYRTAL MR" and "AIRTAL" have different active ingredients which is a significant fact in determining the similarity and likelihood of confusion between the two trademarks viz "ZYRTAL MR" and "AIRTAL".**
6. **The Registrar failed to address the factual relevance of what is likely to happen if each of those trademarks is used in normal way as a trade mark for the goods of the respective owners of the trade marks which is a important fact in determining the similarity and likelihood of confusion between the two trademarks "ZYRTAL MR" and "AIRTAL".**

Miss Mbatia Counsel for the Appellant and Miss Kamau for the Respondent, agreed to prosecute the appeal by way of written submission. The written submissions were subsequently filed and exchanged.

The Appellant submitted on two issues: -

> 1) whether the registrar of trademarks erred in law by determining the matter solely under section 15 of the Act whereas the opponent/Respondent's prayer for refusal or registration of the applicant/Appellant's mark was based on section 14 of the Act? And
>
> 2) whether the registrar erred in law by misapplying the legal principle of accessing the existence of confusing similarity between trademarks?

On the first issue the Appellant submitted that section 14 deals with matters with the likelihood of confusion and deception whereas Section 15 deals with identical and similar marks. The Appellant further submitted that the concept of likelihood of confusion and deception is different from the concept dealing with identical or similar marks belonging to different proprietors. The Appellant relied on the case of **Berlie (UK) Ltd Vs. Bali Brassiere Co. Inc (1969) 2 All E.R.820** to the effect that Section 14 of the Act is similar to Section 11 of the 1938 English Trade Marks Act. The court held that:

> ***"…the likelihood of deception contemplated by section 11 need not necessarily flow from any resemblance between the matter proposed to be registered and other matter or another mark "it might flow from something contained in the matter proposed to be registered as e.g. a misleading description of the goods upon or in connection with which the matter was intended to be used…..a mark may be so disentitled as calculated to deceive for other reasons than that it closely resembles or is identical with another mark as for example if it makes a false representation as to the nature or quality of the goods….there could be a mark which was identical with or which closely resembled another mark which is used as not to be calculated to deceive and so might be entitled to protection.***

The Appellant further submitted that since the Respondent opposed the registration under Section 14 of the act the Registrar ought to have confined his ruling to Section 14 of the Act rather than Section 15 of the Act.

On the second issue, the Appellant submitted that the test to be applied when determining whether there is likelihood of confusion and deception emanates from the case of **PIANOTIST CO. APPLICATION (1906) 23 R.P.C 774** where the learned judge stated as follows:

> ***".. you must take two words. You must judge them, both by their look and 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 circumstance and you must further consider what is likely to happen if each of those marks are used in the normal way as a trade mark of the goods of the respective owners of the marks…"***

In applying the test in this case, the Appellant submitted the two words; **AIRTAL** and **ZYRTAL MR** must be considered as a whole, when assessing the visual, aural and conceptual similarity. The Appellant stated that the Registrar ought not to have disregarded the letters "MR" in the mark ZYRTAL MR and the distinctiveness of the syllable "ZYR". In support of the position, the Appellant relied on the case of **SABLE V. PUMA (CASE C-251/95)** where the court held that the mere fact that two marks are conceptually similar is not sufficient to give rise to a likelihood of confusion.

The Appellant also submitted that although the **ZYRTAL MR** and the **AIRTAL** share the common syllable **"TAL"** to decide that there is a confusion based on this syllable would effectively preclude others from using the syllable **"TAL"** in the marks they wish to register. That in addition, the two words sound completely different and the average consumer should not be confused when hearing or seeing either.

The Appellant also submitted that there was no precise definition of what constitutes ***"similar"*** goods or services. That whether goods and services of an opponent mark are similar to the applicant's mark is a question of fact to be determined on a case to case basis. The Appellant also stated that both **ZYRTAL MR** and **AIRTAL** trade mark are used for pharmaceutical products. The pharmaceutical products covered under its mark **ZYRTAL MR** are packed in box containing 20 tablets which are yellowish in colour, oval in shape and measuring about 1 1/2 centimeter while those covered by the mark **AIRTAL** are packed in a box containing 40 tables which are small, round in shape and also white in colour. The active ingredients of Appellant mark **ZYRTAL** MR are aceclofenac B.P.100mg, paracetamol B.P 500gm, chlorzoxazone USP 500mg while the goods covered by the Respondent mark **AIRTAL** have only one ingredient aceclofenac B.P.100mg. The Appellant further distinguished the two products by stating that the indications of the Appellant mark **ZYRTAL MR** are for pain relief and inflammation in osteoarthritis. That it is used as a muscle relaxant hence the designation **"MR"** and is primarily used for treating pain resulting from muscle spasms. The Respondent mark **AIRTAL** applies to non–esteroidal anti-inflammatory pharmaceutical products used generally for treating inflammation and pain. The Appellant further argued the nature and kind of customer who would buy or consume the products would not be deceived since the product is prescribed by a doctor and dispensed to the customer by a qualified pharmacist. The Appellant submitted that the products will co-exist in commerce without any incident. The Appellant stated that the there was no report or complaint of actual confusion or deception and no evidence to the effect adduced by the Respondent before the Registrar.

In response the Respondent submitted that its opposition of the registration of the trade mark **ZYRTAL MR** was informed by the provision of Section 14 and 15 of the Act therefore the Appellant was misleading the court by stating that the registrar erred in law by making a decision based solely on Section 15 of the Act and that the Registrar has a right to rely on any provisions of the law in making decisions.

The Respondent also submitted that the appeal has no merit and the decision of the Registrar was correct and well within the bounds of law and the prayers that the opponent was seeking in opposing the registration. The goods that the Appellant was attempting to register were similar to that of the Respondent phonetically and if viewed the two were similar. The Registrar was exercising his discretionary power judiciously in reaching his decision in the ruling because Section 15(1) of the Act gives the Registrar the discretion to prohibit the registration of any trade mark that in its nature and description is similar to another. The Respondent also submitted that the Registrar guaranteed the rights of the opponent and protection of the consumer from any unnecessary confusion that is likely to occur by applying Section 15 (1) of the Act.

The Respondent further submitted that the packaging, number of tablets or colour as stated by the Appellant are not relevant. According to the Respondent what is relevant is how the trade mark **"ZYRTAL MR"** will appear on the packaging compared with **AIRTAL** of the Respondent as this will be and is the distinguishing symbol for the goods of the Appellant. The Respondent accused the Appellant of trying to introduce the principles in the case of **ISIABO VS MUMUNDI** which were not before the court instead of using the pleadings and the submissions. The Respondent submitted further that the test to be applied is whether in the instance of approach and comparison by any person with ordinary intelligence and imperfect recollection there would be a likelihood of confusion as was held in the Indian case of **Amritdhara Pharmacy Vs Satya Deo Guptaar 1963 Sc 449;** where the court held that:

> ***"…. The question whether a trade name is likely to deceive or cause confusion by its resemblance to another already registered is a matter of first impression and one for decision in each case and has to be decided by taking an overall view of all the circumstances. The standard of comparison to be adopted in judging the resemblance is from the point of view of a man of average intelligence and imperfect recollection."***

The Respondent submitted that the Registar did not err in applying Section 15(1) of the Act. The Respondent accused the Appellant of attempting to mislead the court by stating that the Registrar made an error in law in reaching his decision by applying section 15 of the Act.

I have carefully perused the record including the proceedings and Ruling before the Registrar of Trademark. I have also perused the written submissions before this court on the face of the grounds of appeal all of which I have carefully considered.

It is my view that the court will proceed with appeal like any other appeal subject only to the specific requirement of the Act. This court therefore has to re-evaluate and reconsider the evidence and the arguments presented before the Registrar.

The Appellant argued that the Respondent opposed the registration of the Appellant mark **"ZYRTAL MR"** under Section 14 of the Act. The section provides:-

> ***"No person shall register as a trade mark or part of a trade mark any matter the use of which would, by reasons 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."***

The principle to be considered in determining whether the trade mark to be registered is similar to a trade mark already registered is whether the two trademarks are so similar as to cause deception and confusion in the market. There are several decisions from this court which address the this point. In **PHARMACEUTICAL MANUFACTURING CO. Vs NOVELTY MANUFACTURING LTD (2001) KLR 392** Justice Ringera (as he was then) held that the defendant's use of the trade name "TRI-HISTINA" infringed the registered trade mark of the plaintiff "TRIHISTAMIN". He held that the two names were substantially similar as to likely deceive and cause confusion in the course of trade in relation to pharmaceutical and medical preparations and substances in respect of which it is registered. In **LONDON OVERSEAS TRADING CO. LTD Vs THE RALEIGH CYCLE COMPANY LTD [1959] EA 1012**, the court upheld the decision of the Registrar of Trade Names to refuse to register the trade name "LALE" which in his view was phonetically identical to the word "RALEIGH" which had been registered as a trade mark. In **GLAXO GROUP LIMITED Vs SYNER-MED PHARMARCEUTICLAS LTD, H.C. Miscellaneous Application No. 792 of 2009, Kimaru J, held that** *the, name 'SYNERCEF' is so similar, phonetically and visually to the registered trade mark of the Appellant 'ZINACEF' to an extent that it would likely cause confusion and deception in the minds of the public.*

The burden of satisfying the court that the two marks are so similar as to likely deceive and confuse the public is on the Respondent/opponent. In **AKTIEBOLAGET JONKOPING – VUKAN INDSTRICKSFA – BRIKSAKTIEBOLAG V. EAST AFRICA MATCH COMPANY LTD** ***[1964]***

E.A. 62 Sir Udo Udoma C.J. stated:-

> ***"It is for the plaintiff company to prove that there is a resemblance between the two marks, and that such resemblance is deceptive. It is also well-established principle of law that it is the duty of the judge to decide whether the trade mark complained of does so nearly resemble the registered trade mark as to be likely to deceive or cause confusion in the minds of the public…"***

In the present case, the Respondent who opposed the registration ought to have satisfactorily demonstrated to the court how the two marks are similar. Considering the words as a whole, I do not find the trade mark **"ZYRTAL MR"** phonetically and visually similar or identical to the Trade Mark **"AIRTAL"** so as to likely cause confusion or deception in the minds of those who use the products or goods. Furthermore, there is evidence that the two products are not ordinary public goods available to any member of the public. Indeed even if the two products were publicly available to the public, they do not on the face of ordinary circumstances phonetically sound similar or visually appear similar. The colour to each is different, one being white while the other is yellow. **AIRTAL** are packed in boxes containing 40 tablets while **ZYRTAL MR** are packed in boxes containing 20 tables of yellow colour. Their shapes and sizes are also different – AIRTAL round and small while the other is oval and larger. To those who prescribe the tablets and who care about content as well, the constitution of either is different. While **AIRTAL** is made of aceclofenac B.P. 100mg **ZYRTAL MR** is constituted of aceclofenac 100 mg, paracetamol B.P. 500mg and chlorzoxazone USP 500 mg. In the mind of the doctor who prescribes the products and the pharmacist who reads the prescription and supplies the product, there is no likelihood of confusion. Nor will there be confusion in the mind of the patient who will just swallow the tablets as instructed by the Pharmacist.

It is also clear to the court that these are goods, as earlier stated, no easily available to the whole public. They are drugs only available through the hands of those who cannot easily be mislead or be confused, even if colour and size were to be similar i.e the professional doctors and professional pharmacists.

In the circumstances of this case accordingly, it is difficult to understand how the Registrar of Trade Marks whether under Section 14 or 15 of the Act, arrived at his conclusions. The marks are clearly phonetically and visually different and are not similar or identical. The goods are by colour, shape and size different. The goods are by constitution not identical or similar. The likelihood of the goods being dealt with by the usual public is meagre. The possibility of a confusion arising therefore is also meagre.

The Appellants appeal has merit. It is hereby allowed with costs. Orders are made accordingly.

Dated and delivered at Nairobi this 25th day of May, 2015.

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D A ONYANCHA

JUDGE