



THE REPUBLIC OF UGANDA

UGANDA REGISTRATION SERVICES BUREAU

THE TRADEMARKS ACT, 2010

IN THE MATTER OF TRADEMARK NO. UG/T/2007/029459 "RANI JUICE" IN CLASS
32 IN THE NAME OF AKABA INVESTMENTS LIMITED
AND

IN THE MATTER OF AN APPLICATION FOR CANCELLATION THEREOF MADE BY
RANI REFRESHMENTS FZCO
RANI REFRESHMENTS FZCO:.....APPLICANT
VERSUS
AKABA INVESTMENTS LIMITED:.....RESPONDENT

RULING

BEFORE: BIRUNGI DENIS : ASST. REGISTRAR TRADEMARKS

Representation

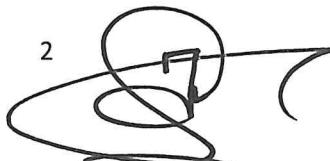
Sara Adong of OS Kagere and Co Advocates—For the applicant. The applicant is absent. Respondent is absent and not represented by an advocate

1. This application was filed on 09th July 2020 by Rani Refreshments FZCO seeking cancellation of TRADEMARK NO. UG/T/2007/029459 "RANI JUICE" in class 32 in the name of Akaba Investments Limited.
2. The applicant contends that the respondent has not used the trademark and hence the mark qualifies for cancellation on grounds of non-use within the meaning of

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section 46 (1) b) of the Trademarks Act, 2010 (“the Act”). Further, the applicant contends that their mark is a well-known mark and hence protected under the Paris Convention for the Protection of Industrial Property 1883, as amended (the “Paris Convention”).

3. At the hearing of this application on 15th December 2022, Counsel for the applicant prayed that the matter proceeds *ex parte* on grounds that all reasonable steps had been taken to effect service onto the respondent. Counsel relied on an affidavit of service filed on 12th January 2021. In that affidavit, it is stated that service was effected on Kanduho and Co Advocates, advocates appearing on record as agents of the respondent. However, in a protest note on a letter from the Registrar dated 23rd March 2021, directing the parties to file evidence, Kandiho and Co. Advocates denied being agents of the respondent. It is surprising however, that this protest did not come earlier in a prior correspondence from the Registrar dated 7th December 2020, where the same law firm accepted service of the application and stamped the forwarding letter to that effect. Be that as it may, in an email dated 25th January 2022, a one Apai Mary Patience of M/s Jogo Tabu & Co Advocates representing the respondent submitted a letter to the Registrar seeking extension of time, to which she was advised in a reply email dated 31st January 2022 to file the correct statutory form for extension of time to file a counterstatement. This means that the respondent had knowledge of this application, and perhaps had instructed another law firm to represent them. To-date the respondent or its advocates have never filed a counterstatement. I am mindful of the provisions of regulation 72 (3) of the Trademark Regulations, which prohibit the Registrar from rectifying the registrar on grounds only that the respondent has not filed a counterstatement. That regulation does not prohibit the Registrar from proceeding *ex parte* if it can be proved that every effort was made to serve the respondent and the respondent declined to participate in the proceedings. In this application, while the Kandiho and Co. Advocates who appears as agent on records denies (albeit informally) being one, the subsequent email from Jogo Tabu and Co advocates shows that the respondent, in some way or another got to know of this application



and engaged advocates to represent them. The applicant further made effort to trace the respondent in Nairobi where they served them via a Courier Aramex, which delivered the application and statutory declaration as evidence. The hearing notice for the application scheduled for 15 December 2022 was subsequently served on respondent via the email of Peter Jojo Tabu of Jogo Tabu Advocates who had taken over the matter but there was no response. From the above, it is clear to me that the respondent had knowledge of every stage of these proceedings but were either complacent or intentionally omitted to participate. The applicant and the Registrar made every possible effort to effect service but the respondent did not cooperate. On this basis, I will proceed to determine the application *ex parte*.

4. During scheduling, four issues were framed;
 - (1) *Whether the respondent's mark ought to be cancelled on grounds of non-use;*
 - (2) *whether the applicant's mark is entitled for protection under the Paris Convention;*
 - (3) *Whether the respondent's mark is identical to or confusingly similar to the applicant's mark;*
 - (4) *What remedies are available to the parties.*
5. The applicant addressed the Registrar by way of written submissions submitted via email.
6. The brief facts are that the respondent is the registered proprietor of the disputed trademark “RANI JUICE” in class 32 in Uganda having registered the same with priority date of 22nd December 2006.
7. The applicant is a registered proprietor of “RANI” trademark No. AP/M/2004/000267 registered with African Intellectual Property Organization (ARIPO) in respect of goods in class 32 of the Nice Classification of goods and



Services, with Uganda as a designated state. The applicant claims to be registered first in the United Arab Emirates, and until the time of filing this application, the applicant claims to be registered in 104 countries. The applicant seeks cancellation of the respondent's trademark on grounds of non-use and contends that its mark is a widely known mark worthy of protection under the Paris Convention.

8. The applicant claims to be a multinational company based in Dubai, United Arab Emirates. As per the statutory declaration in support of the application, the applicant claims to have exploited the trademark "RANI" through extensive trade use in Uganda and other countries.

RESOLUTION OF THE ISSUES

Issue 1: *Whether the respondent's mark ought to be cancelled on grounds of non-use*

9. Section 46 of the Trademarks Act provides that;
"(1) Subject to sections (1) and 48(1), a registered trademark may be removed from the register in respect of goods in respect of which it is registered, on application to the court by an aggrieved person and subject to section 67 on an application to the registrar, on the grounds that—
 - (a) the trademark was registered without a bona fide intention on the part of the applicant for registration that it should be used in relation to those goods or services by him or her or, if it was registered under section 54(1), by a body corporate or registered user concerned and that there has in fact been no bona-fide use of the trademark in relation to those goods or services by any owner up to the date one month before the date of the application; or
 - (b) at least one month prior to the date of the application a continuous period of three years or more elapsed during which the trademark was a registered trademark and during which there was no bona-fide use in relation to those goods or services by any owner"



10. Justice Engonda Ntende in **Potomac Tobacco Company Ltd v. British American Tobacco Co. Ltd & British American Tobacco (Brands) Ltd (Miscellaneous Application No. 436 of 2006)** noted that in applications for cancellation, the applicant must show that (a) it is an aggrieved person in the circumstances of that particular case; (b) there is a registered trademark; (c) that trademark was registered without a bona fide intention to use the same and there has been no use of the same up to one month before the application is brought to court, or that for a continuous period of 5 years (3 years in the current Act) up to one month before the bringing of the application there was no bona fide use of the trademark in relation to the goods for which it was registered. While the Judge was applying section 28 of the now repealed Trademarks Act, (Chap 217), the same principles have been retained under section 46 of the Trademarks Act 2010, save for the reduction of the period for non-use from 5 to 3 years. Hence, they are applicable to this application.

11. Counsel for the applicant submits that the applicant is an aggrieved party with locus to bring this application. She further argued that based on the report submitted, there has been no bonafide use of the respondent's mark in Uganda. Counsel contends that the burden to proof use is on the respondent and cites a number of authorities.

Who is an aggrieved person?

12. In **Ritz Hotel Ltd v Charles of the Ritz Ltd (1988) 15 NSWLR 158**, McLelland J stated that:

"decisions of high authority appear to me to establish that the expression (aggrieved person) has no special or technical meaning and is to be literally 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 trademark removed in respect of any goods, as the case may be, or in a manner claimed, and thus would include any person who would be, or in respect of who,



there is reasonable possibility of his being, appreciably disadvantaged in a legal or practical sense by the Register remaining unrectified, or a by a trademark remaining unremoved in respect of any goods, as the case may be, in the manner claimed". The approach in this dictum was cited with approval in *In the matter of an application for cancellation of the trademark SUNTOP registered in the name of Hillside Dairy & Agriculture Ltd at the request of BY CO-RO Foods A/S (Uganda Trademarks Office, 2020*, a decision of the Registrar.

13. In the instant application, the applicant registered its mark "RANI" through the regional route of ARIPO and indeed several other countries. It has been trading its products under the "RANI" mark in Uganda as evidenced by numerous trading and transaction documents attached to the statutory declaration. On the face of it, the applicant's mark with an entitlement date of 09/07/2004, was registered earlier than the respondent's mark whose entitlement date is 12th December 2006 and is indeed very similar with that of the respondent. Were both parties to compete in the same market, there would be a likelihood of confusion. This therefore makes the applicant an aggrieved party, as the likelihood of confusion would prejudice its commercial interests.

Non- use

14. Non-use can only be proved by submission of evidence to that effect. As required by section 103 of the Evidence Act, Cap 6, the burden of proof is on the party that alleges, and in this case, it is the applicant alleging non-use. The applicant must prove lack of bonafide use until one month prior to the filing of the application. Judicial decisions have however held that the registered proprietor/ respondent is better placed to prove use by adducing evidence of actual use (see *Potomac Tobacco Company Ltd v. British American Tobacco Co. Ltd & British American Tobacco (Brands) Ltd (Miscellaneous Application No. 436 of 2006)*). This means upon proof of non—use by the applicant, the burden shifts to the proprietor to prove bonafide use however, in this application, the respondent has locked itself out of the proceedings and hence the opportunity to prove bonafide use.

15. Bonafide use has been defined to mean actual use by the registered proprietor or a third party with the authority of the proprietor and that such use must be consistent with the function of the trademark, relating to the goods being marketed or traded (see **Walton International Ltd v Verweij Fashion BV (2018) R.P.C 19**)

16. The applicant has submitted a report commissioned in 2019, by the then applicant's advocates, SIPI Law Associates. Torres Advanced Enterprise Solutions conducted the investigations. They sampled the areas of Kampala, Jinja, Mbale, Tororo, Mukono and Lugazi. While the report does not appear geographically representative of the entire country, it can be informative given that there is other corroborative evidence pointing to lack of trading activity by the respondent. The report concludes that the products found in some of the areas branded '**Rani Juice**' were not originating from the respondent but were imported by a company called Aujan Industries LLC under the authorization of the applicant. The report further did not establish the existence of the respondent's registered physical address. A search conducted on the company register also revealed that the respondent has never filed any company documents since incorporation in 2005. Indeed, to-date, there is no evidence of filings of any returns, resolutions, form 18 or 20 since incorporation. This is circumstantial evidence that the respondent is a dormant company that has not transacted business since incorporation. A dormant company is defined by the Companies Act, 2012 as "a company that is not doing business and does not have accounting transactions in a financial year". A lack of filings on the company register point to the possibility of dormancy of the respondent. On the other hand, the applicant has submitted documentary evidence of registration of its trademark and trading activity in numerous countries including United Arab Emirates, Oman, South Africa, Zanzibar, Burundi among others. The applicant has also submitted several commercial and transaction documents as evidence of consistent exploitation of its mark.

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17. The general conclusion from the unrebutted evidence submitted by the applicant is that on a balance of probability, there is no actual use by the respondent of "RANI JUICE" trademark in the market. The evidence of lack of filing in the company register corroborates the findings of the report. A company that is actively involved in trade is ordinary expected to file relevant company documents such as resolutions, annual returns and statutory forms. That the respondent's company file has none of these since its incorporation points to a possibility of dormancy. Section 46 of the Trademarks Act, 2010 is aimed at preventing persons from registration of trademarks for potential future use or without any intention of bona fide use at all (*the exception is defensive registration for well-known marks*). I find the dictum of Court in the case of **Blue Bell, Inc. v Farah Mfg. Co., United States Court of Appeals, Fifth Circuit, 1975 508 F.2d 1260, 185 U.S. P.Q.1.**; cited with approval in **Tecno Telecom Limited v. Kigalo Investments Ltd (Miscellaneous Cause No. 17 of 2011)** quite authoritative on this principle. In that case, the US Court of Appeal, 5th Circuit stated that; "*While goods may be identified by more than one trademark, the use of each mark must be bona-fide. Mere adoption of a mark without bona-fide use, in an attempt to reserve it for the future, will not create trademark rights. In the instant case, Bell's attachment of a secondary label to an older line of goods manifests a bad faith attempt to preserve the mark. We cannot countenance such activities as a valid use in trade*" (emphasis mine). The evidence in the instant application shows that applicant has never used the trademark since registration.

18. In the circumstances, I find that there was no bonafide use by the respondent of trademark Number UG/T/2007/029459 "Rani Juice" in class 32 since it was registered in 2007.

Remedies

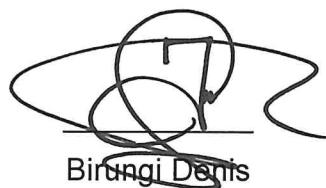
19. Counsel for the applicant prayed for three remedies; cancellation of the trademark on grounds of non-use; prohibition of the respondent from using the mark and costs. I accordingly grant the first remedy for which the Registrar has jurisdiction to grant. The second remedy is akin to an injunction, which is the preserve of

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Courts of Judicature. The Registrar has no jurisdiction to grant injunctive relief. The trademark is accordingly cancelled and removed from the Register of trademarks. The application succeeds on these two issues and I see no need to resolve other issues. Each party shall bear its costs.

I so order,

Given under my hand, this 15th day of March 2023



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Birungi Denis
Ass. Registrar of Trademarks

