UGANDA REGISTRATION SERVICES BUREAU

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THE TRADEMARKS ACT, 2010

IN THE MATTER OF TRADEMARK APPLICATION No. 51324 "VOLT" IN CLASS 33 BY INTERNATIONAL DISTILLERS UGANDA LIMITED

AND

IN THE MATTER OF AN OPPOSITION OF REGISTRATION BY TOTO LIMITED

BEFORE: AGABA GILBERT, REGISTRAR OF TRADEMARKS

1- International Distillers Uganda Limited (herein the Applicant) applied on 26th November 2014 for registration of a trademark "VOLT" (herein the IDUL mark) in respect of alcoholic beverages (except beers) in class 33 of the Nice classification.

2- The application was opposed by Toto Limited (herein the Opponent) via a notice of opposition filed on 31st August 2016. The grounds of opposition are that the Applicant's mark is identical with or nearly resembles the Opponent's mark, registration number 47805 registered 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 in class 32; and that this will likely confuse consumers.

3- The Applicant was represented by MMAKS Advocates whereas the Opponent was represented by Sebalu & Lule Advocates.

4- Evidence was submitted by way of statutory declarations. Briefly, for the Opponent, Jose Arana Gonzales stated they are proprietors of the mark "VOLT" in relation to energy drinks which mark was registered in Uganda from 5th July 2013. The said mark was registered for goods in class 32 of the Nice classification while the Applicant's mark is in respect of goods in class 33.

5- Further according to the Opponent, the mark that the Applicant seeks to register resembles their mark as they both contain the same word "VOLT" and other additional elements on the IDUL mark are descriptive. That the IDUL mark is

used on pre-mixed alcoholic drinks which resemble the goods covered by the Opponent's mark.

6- On the otherhand, the evidence of Wambui Kosgey for the Applicant is to the effect that the Applicant is a renowned manufacturer of an alcoholic beverage called "Uganda Waragi" who extended said brand to making "Uganda Waragi Volt". That the Applicant registered "Uganda Waragi Volt" mark from 30th April 2014 under trademark number 49810 for goods in class 33.

7- Further according to the Applicant both trademark number 49810 and the present mark applied for have gained reputation and that the Opponent is not using their trademark number 47805 in the Ugandan market.

8- Both parties presented their arguments by way of written submissions.

9- The issues agreed upon were:

i. Whether the trademarks are similar.

ii. Whether there is likelihood of confusion between the Applicant's and Opponent's mark.

iii. Whether the Applicant's VOLT label contravenes the provisions of the Trademarks Act.

Similarity

10-Section 25(1) of the Trademarks Act provides that:

> 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; or
>
> (c) services or a description of services which are associated with those goods or goods of that description.

11-Therefore, a trademark that is identical to or nearly resembles another trademark registered to a different owner shall not be registered. The rationale is obviously that identical or resembling marks will cause confusion when allowed on the register and upon use.

12-On the matter of assessing similarity of trademarks case law is well settled. In the **PIANOTIST Co. Ltd (1906) 23 RPC 777** 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."

13-Placed side by side, the IDUL mark and Opponent's mark are represented herewithbelow;

Opponent's mark	IDUL mark
	

14-The assessment of the marks is based on the overall impression considering the visual, aural or conceptual similarities while bearing in mind particular distinctive and dominant components. (See **Specsavers International Healthcare Ltd vs. Asda Stores Ltd [2012] EWCA Civ. 24**).

15-The overall impression of the IDUL mark is that it is dominated by the word "VOLT" word with additional words *"The Original" Uganda Waragi with Ginger*" in smaller size fonts written in bold black italicized and capital letters. The word "***Volt***" is skewed at a diagonal angle upon a yellow background. At the bottom of the banner is a black and a red band. The letters "O" and "L" in the word ***"Volt"*** have red flourishes.

16-On the otherhand, the Opponent's mark also contains the word "VOLT" in silver colours with blue outlines on the letters set out horizontally in the representation. Below the word "VOLT" and in much smaller font size is a number 440 in blue colour and black outlines and words "MAS ENERGIA" in yellow colour and black outlines.

17-The word "VOLT" clearly dominates the appearance of both trademarks although with discernible differences in the perception of each of the marks as a whole namely;

i. The background colours employed by the Applicant to-wit black, yellow and red vis-à-vis the Opponent's mark that employs silver and blue colours present a different look for each of the marks;

ii. The typeface of the word "VOLT" used by the Applicant is perceptibly different from that used by the Opponent due to styling of the letters and their size;
iii. The layout of the word "VOLT" also differs. The IDUL mark's layout of the word "VOLT" is diagonal contrasted with the Opponent's mark whose layout of the word mark is horizontal.

18-The Opponent thus argues that both trademarks should be assessed based on the dominant element "VOLT" which is visually, phonetically and conceptually the same in both marks. That the other words in the representations are negligible and descriptive because of their size and positioning.

19-The Applicant on their part insist that whereas both marks share the word "VOLT", the additional elements including words and layout of the marks are not negligible and that assessment of the mark should be done globally.

20- It is trite that a trademark should be assessed as a whole in the first instance even if it contains both dominant and negligible or descriptive matter (see Case C-342/97 Lloyd Schuhfabrik Meyer [1999] ECR I-3819). And in ***OHIM* v *Shaker***, C-334/05 P, EU:C:2007:333, it was held:

> *"Assessment of the similarity between two marks means more than taking just one component of a composite trademark and comparing it with another mark. On the contrary, the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components. It is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element.*

21-And in Case **C-591/12P, Bimbo SA v OHIM paragraph 34** it was held that:

> *"it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case."*

22-And in Case T-122/01, **Best Buy Concepts Inc., v OHIM,** the Court of First Instance held:

> *"as regards the assessment of the distinctive character of the mark claimed, it is appropriate, in the case of a complex mark, to examine it in its entirety. That is not incompatible, however, with a prior, separate examination of the different elements which make up the mark".*

23-The Opponent seeks to have the elements *"The Original Uganda Waragi...with Ginger"* comprised in the Applicant's mark treated as descriptive and negligible.

24-As to whether a particular element comprised in a mark is negligible is a matter of fact basing on factors such as size of the words or figurative element; positioning of the relevant element(s); legibility of element(s) being assessed; and features of the words or figurative element(s) among others. (See ***Frag Comercio Internacional, SL v OHIM*** **Case T-162/08).**

25-It is my opinion that the words *"The Original", "with", "Uganda Waragi"* and *"Ginger"* are not negligible. They are set out in stylized fonts or capital letters, bold black lettering and positioned atop and below the word "VOLT" upon a bright background colour to-wit yellow which causes most of those words in the IDUL mark to stand out. Besides the background yellow colour ensures that eyes are drawn to the IDUL mark and attention drawn to the stylized words embossed on that yellow background.

26- That notwithstanding, except for the words *"Uganda Waragi"* the words *"The Original", "with",* and *"Ginger"* though not negligible, are certainly descriptive. According to the Oxford English Dictionary **"Original"** means "*the thing from which something springs or is derived; a source, cause; an originator, creator*". **"With"** on the other hand simply means "*having or possessing*". **Ginger** is merely an ingredient. The words *"The Original", "with",* and *"Ginger"* are therefore, descriptive and therefore, should be disregarded.

27-Court stated in **Case T-129/01 Alejandro v OHIM —Anheuser-Busch (BUDMEN) [2003] ECR II-2251** that the relevant public will not generally consider a descriptive element forming part of a compound mark as distinctive in the overall impression conveyed by that mark.

28-The words *"Uganda Waragi"* must however be taken into account in the assessment of the IDUL mark.

29-Jacob LJ stated in **Reed Executive plc & Reed Solutions plc v Reed Business Information Ltd, Reed Elsevier (UK) Ltd & totaljobs.com Ltd [2004] EWCA (Civ) 159 at para 26** that *"one word can qualify another so as to change its impact, "Harry" qualifies "Potter" and vice versa, for instance."*

30- *"Uganda Waragi"* qualifies ***"Volt"*** so as to change the impact in the perception of the IDUL mark.

31-Additionally it was held in the **case of Medion AG v Thomson Multimedia Sales Germany & Austria GmbH, C-120/04 at paragraph 30**:

> *"Beyond the usual case where the average consumer perceives a mark as a whole, and notwithstanding, that the overall impression may be dominated by one or more components of a composite mark, it is quite possible that in a particular case an earlier mark used by a third party in a composite sign including the name of the company of the third party still has an independent distinctive role in the composite sign, without necessarily constituting the dominant element."*

32-The words *"Uganda Waragi"* have been used by the Applicant since 1968 including in trademark number 49810 "UGANDA WARAGI VOLT" registered from 30th April 2014. It was the evidence of Wambui Kosgey for the Applicant that "*Uganda Waragi"* has been recognized as a super brand selling over 2.7million cases in 2008 growing to 5.5million cases in 2016. This implies a growing reputation of the UGANDA WARAGI brand so much so that it maintains an independent distinctive role in the current composite sign.

33-I do not accept the argument of the Opponent that UGANDA and WARAGI themselves are presented in a manner which would be perceived by the average consumer as extraneous to the product name "VOLT". On the contrary UGANDA WARAGI maintains and augments the distinctiveness of the Applicant's IDUL mark.

Likelihood of Confusion

34-Likelihood of confusion was defined in **Anglo Fabrics (Bolton) Ltd & Anor v. African Queen Ltd & Anor HCCS 0632/2006** where court held that:

> *"Likelihood of confusion as the probability that a reasonable consumer in the relevant market will be confused or deceived, and will believe the infringer's goods or services come from, or are sponsored or endorsed by, the complainant or that the two are affiliated."*

35-The matter must be judged through the eyes of the average consumer of the goods or services in question; who is deemed to be reasonably well informed and reasonably circumspect and observant but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them they have kept in their mind, and whose attention varies according to the category of goods or services in question. (**Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV [1999] ETMR 690).** Accordingly, *"an attempt should be made to estimate the effect or impression produced on the mind of potential customers by the mark. Yet potential buyers of goods are not to be credited with any high perception or habitual caution. On the other hand, exceptional carelessness or stupidity may be disregarded"* per Dixon and McTiernan JJ in the Australian case of **Australian Woollen Mills Ltd v FS Walton & Co Ltd (1937) 58 CLR 641 at 658**).

36-In the circumstances, the word "VOLT" upon the yellow background as opposed to the white background of the Opponent's "VOLT" mark; the differences in size, font and style of letters between two marks impresses upon an average consumer a perceptible difference. This difference is in my opinion reinforced and brought home by the words *"Uganda Waragi"* in combination with the word ***"Volt"*** comprised in the IDUL mark so much so that likelihood of confusion is diminished entirely.

37-In the case of ***Tuskys (U) Ltd Vs. Tusker Mattresses (U) Ltd HCCS No.3/2011,*** Court found that the word "TUSKYS" alone in the defendant's trademark would cause confusion with the plaintiff's mark comprised in the word "TUSKYS". However, the additional elements "Time To Go ... Your Friendly Supermarket" in the defendant's mark to create **"Time To Go TUSKYS Your Friendly Supermarket**" removed the likelihood of confusion for an average consumer of the relevant goods.

38-I therefore, find that the combination of the words *Uganda Waragi* and "VOLT" in the IDUL mark eliminates the likelihood of confusion.

Similarity of Goods

39-I am buttressed in this view by the dis-similarity of the relevant goods. The Applicant is applying for registration of the mark in class 33 for alcoholic beverages except beers. The Opponent is registered for goods in class 32 namely beers, mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.

40-The Opponent argued that the goods are the same as those of the Applicants.

41-In assessing similarity of goods or services, it was held in ***British Sugar PLC v. James Robertson & Sons Ltd., 1996 R.P.C. 281*** where Jacob J stated:

> *"When it comes to construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade. After all a trade mark specification is concerned with use in trade. Thus I think the following factors must be relevant in considering whether there is or is not similarity:*
>
> *(a) The respective uses of the respective goods or services;*
>
> *(b) The respective users of the respective goods or services;*
>
> *(c) The physical nature of the goods or acts of service;*
>
> *(d) The respective trade channels through which the goods or services reach the market;*
>
> *(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;*
>
> *(f) The extent to which the respective goods or services are competitive.*
>
> *This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors. I do not pretend that this list can provide other than general guidance."*

42-Further in **Case C-39/97 Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer** it was held that:

> *"...all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their end users and their method of use and whether they are in competition with each other or are complementary".*

43-Suffice to state that not all these factors and others ought to be treated as being of equal significance but as Lord Evershed, M.R. stated in **Lyons & Coy. Ld.'s [1959] RPC 120 at 128**:

> *"In all cases of this kind regard will be had to such matters as the nature and composition of the goods, to their respective uses and functions, and, to the trade channels through which respectively they are marketed or sold; and <u>in different cases one (but not always the same one) of these</u>*

characteristics (factors) may have greater significance or emphasis than the others. The matter falls to be judged, "in a business sense".

44-The parties placed their emphasis on the nature of the goods themselves, the trade channels through which the goods reach the market and the extent to which the respective goods are competitive.

Nature of the Goods

45-Both parties agree that the Applicant's IDUL mark is mostly used on premixed alcoholic drinks mixed with soft drinks such as soda and spirits. The only point of disagreement was that the Opponent includes energy drinks as a mix whereas the Applicant argues that energy drinks as a mix is discouraged. On the face of it the goods are different premixed alcoholic drinks are not the same as energy drinks. They are made differently, they taste differently and serve different purposes.

Trade channels

46-It was the argument of the Opponent that the trade channels are the same to-wit liquor stores using the same fridges such that the goods are sold side by side. The Applicant on their part argued that their uses are different such that the goods are sold via different channels. Both the Applicant and Opponent's goods are fast moving consumer goods that are sold to the public through similar trade channels notwithstanding that their uses differ. As such they rely on the same trade channels. Where there is a variation in the trade channels, this in my view is not driven by the type of good but by mere product arrangement or placement preferences of a vendor of such goods.

Competition with each other

47-The Opponent argued that the Applicant's and Opponent's goods are purchased at the same time to satisfy the same or similar needs. In otherwards, they compete with each other. The Applicant argues that there is no such competition because they have different uses and therefore are sold in different trade channels.

48-I do not think these goods compete with each other even though they are sold via the same trade channels. The goods are different and have different uses to-wit premixed vis-à-vis energy drinks. They are sold together as a mere practice of trade and not because they compete. The Second Board of Appeal in **Case T-584/10 Mustafa Yilmaz v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)** found that alcoholic beverages falling within

Class 33 are different to both "beers" and "mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages" falling in class 32, *"due to their nature, origin, ingredients, method of production, intended purpose, use, lack of substitutability and lack of complementarity, even if some of those goods are, to some extent, in competition with each other".*

49- Therefore, the goods of the Applicant do not compete with the goods of the Opponent due to their nature, origin, ingredients, method of production, intended purpose, use, lack of substitutability and lack of complementarity. Nonetheless, it may be that trading in the same channels of commerce may create a likelihood of associating the Applicant's mark to the Opponent's. However, the likelihood of association is not the same as the likelihood of confusion. Indeed it was held in **SABEL v. Puma, Rudolf Dassler Sport, Case C-251/95, [1997] ECR I-6191, para. 26** that:

> *"the mere association which the public might make between two trademarks as a result of their analogous semantic content is not in itself a sufficient ground for concluding that there is a likelihood of confusion."*

50- It is therefore, my finding that the goods are not similar. There is no likelihood of confusion that will arise in the circumstances.

51- For the above reasons the opposition fails. The Applicant shall proceed to register their mark subject to payment of the prescribed fees.

52- The Opponent shall bear the costs of these proceedings.

Dated this 29th day of April 2026

AGABA GILBERT
REGISTRAR OF TRADEMARKS