



**THE REPUBLIC OF UGANDA  
UGANDA REGISTRATION SERVICES BUREAU  
THE TRADEMARKS ACT, 2010**

**IN THE MATTER OF TRADEMARK NO. 47160 “LIBERTY” IN CLASS  
39 IN THE NAME OF LOREAL LOGISTICS LIMITED (NOW LIBERTY ICD LTD)**

**AND**

**IN THE MATTER OF AN APPLICATION FOR REMOVAL/CANCELLATION  
THEREOF MADE BY LIBERTY GROUP LIMITED**

**LIBERTY GROUP LIMITED:.....APPLICANT**

**VERSUS**

**LIBERTY ICD LIMITED:.....RESPONDENT**

**RULING**

**BEFORE: BIRUNGI DENIS : ASST. REGISTRAR TRADEMARKS**

*Representation*

*Brian Kajubi of MMAKs Advocates—For the applicant. The applicant is absent.*

*Esau Isingoma and Kagye Stanly of K&K Advocates appeared for the Respondent. The respondent was represented by its Directors Prof. Minaz Karlimali and Faisal Karlimali.*

**A. Background.**

1. On 16 April 2012, the applicant filed application No. UG/T/2012/45153 for registration of “**LIBERTY**” trademark in class 36 of the Nice Classification of Goods and Services, in respect of insurance services, financial services, monetary services and real estate.
2. On 2<sup>nd</sup> April 2013, Liberty Properties Ltd, filed application number UG/T/2013/047160 for registration of “**LIBERTY**” mark in class 36 in respect of

Insurance, financial affairs, monetary affairs and real estate affairs. The same was advertised in Gazette Volume CV.No.20 published on 26 April 2013. A certificate of registration was subsequently granted on the 22<sup>nd</sup> of July 2013. It should be noted that the respondent acquired the disputed mark through an assignment by Liberty Properties Ltd and was subsequently issued a certificate of assignment on 15 May 2015. At the time, the respondent was called Loreal Logistics Limited which name was subsequently changed to Liberty ICD Ltd in October 2015.

3. According to its statement of grounds as well as the statutory declaration sworn by Joseph Almeida filed on the 09<sup>th</sup> February 2022, the applicant contends that upon filing its application in 2012, the trademark registry file containing all documents “went astray for a long” hence stalling the examination and consequently the registration process. The applicant does not elaborate what they mean by “went astray”.
4. It was until 2018, that the Registrar examined the application and rejected it on grounds that the mark was similar to the respondent’s mark—LIBERTY—registered in class 36, already existing on the register.
5. On the 11<sup>th</sup> October 2018, the applicant’s agents contested the rejection vide correspondence dated 11<sup>th</sup> October 2018 raising the same ground that the applicant’s application no 45153 was filed on 16<sup>th</sup> April 2012, yet the respondent’s mark, which was the basis of the rejection was filed on 2<sup>nd</sup> April 2013.
6. Consequently, on the 23<sup>rd</sup> October 2018, the Registrar vide letter referenced RG 21 wrote to the respondent recalling its certificate of registration of trademark number 47160 on grounds that it was issued in error because of the applicant’s prior application. On 17 July 2019, the Registrar wrote to the applicant’s agents with the respond in copy, overruling her earlier position of recalling the respondent’s certificate and noting that having reviewed the law, it was established that the Registrar did not have the power to recall a certificate that is already issued. The Registrar advised applicant to instead file an application for cancellation—and indeed, she was right, as she had no powers to recall an already issued certificate. It should be noted that according to the Trademarks Act, 2010, after registration, the remedy of an aggrieved party is by way of application for

cancellation either before the Registrar or before the High Court. As such, the Registrar was right to overrule herself, as she did not have the power to withdraw the certificate outside the framework of the Trademarks Act, 2010.

7. Consequently, the applicant filed this application on 10 March 2021 seeking cancellation of trademark No. UG/T/2013/047160 “LIBERTY” in class 36 currently in the name of LIBERTY ICD Ltd on grounds that it was registered in error owing to its earlier application.
8. The grounds raised by the applicant include among others, that since it filed its application first on 16 April 2012, while that of the respondent was filed on 2 April 2013 and subsequently granted, that this grant was made in error because of the principle of first in time. The applicant further contended that it is the lawful propriety of the disputed mark worldwide as a leading financial services group founded in 1957 and having presence in 24 African Countries.
9. The applicant avers that it has been using the disputed trademark since 1957 at the time operating under the name LIBERTY LIFE. In 1962, the applicant was listed on the Johannesburg Stock Exchange and in 1980, its subsidiary—LIBERTY INTERNATIONAL was established in the United Kingdom and is now listed on the London Stock Exchange.
10. Currently, the applicant functions as an African wealth management group offering a plethora of services including asset management, health and life insurance, investment management services, property investment and retirement income facilitation.
11. In Uganda, the applicant has registered the following marks; Trademark No.31623 “ Liberty Life” in class 16, registered in 2008; trademark No.31719 “LIBERTY HEALTH BLUE” in class 5 registered in 2008 and trademark No.50303 “LIBERTY” in class 35 for advertising, business management, business administration and office functions.
12. The applicant also claims prior use of the disputed mark in Uganda through its subsidiary Liberty Life Assurance as early as 2006 and has adduced evidence of licenses to operate as an insurer for the year 2007,2008,2009,2010 and 2020. The applicant also claims continuous use of the disputed trademark in 24 countries

around the world in the fields of insurance, investment and health management, risk management, real estate investment among others and that its mark includes successful advertising campaigns on different media platforms. As such, the applicant contends, the mark is well known in Uganda and throughout the world. The applicant argues that the respondent's mark is likely to cause confusion in the market with its services, as the mark is similar to its mark. That until 2020, the applicant's turnover from the sale of the different financial products amounted to Ugx 40,194,981,000/-. Further, the applicant has online presence with two websites; <http://www.liberty.co.ug> and <http://www.libertyhealth.net/uganda> and conducts vast advertising on different television stations.

13. The applicant maintains that for the reasons stated above, the respondent's mark was registered in error and contravenes sections 9, 23, and 25 of the Trademarks Act, 2010 and prays for the rectification of the register by removing the respondent's mark from the register pursuant to section 88 of the Trademarks Act. The applicant also invoked provisions of article 6<sup>bis</sup> of the Paris convention for the protection of Industrial Property (hereafter referred to as the "Paris Convention") as another ground for its application for cancellation of the respondent's mark.
14. On its part, the respondent maintain that its trademark was validly registered, bears no resemblance likely to confuse the public, that the applicant has no exclusive use of the word "liberty" it being an English word. The respondent avers that section 9, 23, and 25 of the Trademarks Act, 2010 cited by the applicant in its statement of grounds, do not apply to circumstances of this case.

## **B. ISSUES.**

15. During scheduling on the 13<sup>th</sup> of December 2022, the following issues were framed;
  - 1) *Whether the respondent's trademark No.47160 was lawfully registered?*
  - 2) *What remedies are available to the parties.*
16. The parties were directed to address the Registrar by way of written submissions within the following timelines. Counsel for the applicant to file and serve submissions on the 1<sup>st</sup> April 2023. Counsel for the respondent to file and serve

submissions in reply by 2 May 2023. Counsel for the applicant to file a rejoinder on 23 May 2023. The ruling was set for 25 July 2023. Counsel for the respondent filed his submissions out of time on 8 June 2023, however stated that this was because Counsel for the applicant served the submissions on him four weeks later than they should have been served. For purposes of determining this dispute conclusively, I admitted the submissions. I advise both Counsel to always honor timelines set by the Registrar or seek extension of time where circumstances arise making it difficult to do so.

### **C. SUBMISSIONS**

17. Counsel for the applicant has made several arguments claiming various statutory and common law protections. First, he argued that owing to its prior registration and pursuant to section 25 of the Trademarks Act, the registrar was barred from registering the respondent's mark. He cited the case of **Capital Radio Ltd v FM Holding and 2 others HCCS No.350 of 2005** for the proposition that where there are competing claims, the first in time prevails.
18. Second, Counsel submits that its prior applied for trademark is similar to, and is likely to cause confusion in the market between the clients of the applicant with those of the respondent. Counsel has cited a number of authorities in support of this submission. Third, it was argued that the applicant's mark is a well-known mark operating in 24 countries and hence is protected under article 6<sup>bis</sup> of the Paris Convention as well as the provisions of section 44 of the Trademarks Act. Counsel cites the case of **Kampala Stocks Supermarket Co. Ltd V Seven Days International Ltd Civil Suit No.112 of 2015** in support of this proposition.
19. Fourth, it is submitted that as a registered trademark in the country of origin, which is the Republic of South Africa, the applicant is given protections as a mark registered in the country of origin within the meaning of section 44 of the Trademarks Act, 2010. Counsel also contends that the respondent's trademark is likely to deceive the public within the meaning of section 23 of the Trademarks Act.
20. On the protections under article 6<sup>bis</sup>, Counsel submits that such protections are available to the applicant as extended to services under article 16.2 and 16.3 of the TRIPS Agreement—to which Uganda is a signatory.

21. By registering the impugned trademark, Counsel is of the view that the respondent registered the disputed mark in bad faith, since, according to him, the respondent ought to have established the existence of the pending application filed by the applicant, when they conducted a search at the trademark registry prior to filing of their application. That since section 5 of the Trademarks Act, 2010 and regulation 23 of the Trademark Regulations, 2012 ( as amended) make it mandatory to conduct searches by the applicant and the registrar respectively, Counsel faulted the registrar for failing to exercise due diligence, and has imputed constructive notice on the respondent. Counsel submitted that the respondent did not submit a search statement in its application and that by failure to conduct a search, the respondent did not comply with requirements of registration, and hence the registration of its mark was irregular and illegal. In support of this line of argument, **Re Morgan (1881)18 Ch 93 CA**, was cited for the proposition that “*a person who shuts his eyes and takes without inquiry cannot say he is a purchaser without notice when if he made inquiry and an honest answer had been given, he would have notice*”. It is contended, that the registration and usage of the applicant’s presumably well-know mark, is what amounted to notice to the respondent. Counsel prayed for the cancellation of the respondent’s trademark.
22. For the respondent, it was submitted that the disputed trademark was validly registered and that all steps under the Trademarks Act were complied with. On the provisions of section 25, Counsel submits that the section applies to already registered marks and not pending applications. Counsel further submitted that “the first in time, first in right” principle applies to registered interests and not unregistered interests. Counsel submits that the authority of **Capital Radio Ltd v FM Holdings and 2 others HCCS No.350 of 2005** does not apply to circumstances of this case.
23. Counsel for the respondent is of the view that since the applicant never completed its registration; it cannot claim protections under the law. He also faults the applicant for failure to oppose the respondent’s mark when it was advertised in the gazette. In response to submissions on similarity of the marks, and the likelihood of confusion, Counsel for the respondent submits, under the authority of section

34 of the Trademarks Act, that there is a bar to institution of proceedings in respect of an unregistered mark. Counsel further submits that the applicant has not adduced evidence to prove that it is a well-known mark and that the Paris Convention would not defeat the respondent's mark because article 6 of the Convention recognizes territoriality of states and that because of this principle, protection does not extend across international borders.

24. On the issue of article 6<sup>bis</sup> protections, Counsel submits, that under article 6 (1) of the Paris Convention, recognition of a trademark in the country of the Union is dependent on domestic legislation of a country where enforcement is sought. Consequently, the registration of a trademark in the country of origin, does not *per se* grant recognition of such trademarks in a country of origin, unless the requirements of that country's domestic legislation are met. Counsel adds that protection of well-known marks must occur in conjunction with the territoriality principle.

25. Before I proceed to determine the issues, let me set out the disputed trademark as well as the applicant's pending application.

<b>Party</b>	<b>Mark</b>	<b>Number</b>	<b>Class and goods</b>
<b>Applicant</b> ( Liberty Group Ltd)	LIBERTY	UG/T/2012/045153	<b>Class 36</b> Insurance; financial affairs; monetary affairs; real estate affairs.
<b>Respondent</b> (Liberty ICD Ltd)	LIBERTY	UG/T/2013/047160	<b>Class 36</b> Insurance; financial affairs; monetary affairs; real estate affairs..

#### **D. DETERMINATION.**

**Issue 1: *Whether the respondent's trademark No.47160 was lawfully registered?***

26. First, let me note that this issue arises largely because of the earlier application filed by the applicant. The crux of applicant's case is that because its application was filed earlier i.e. on 16 April 2012, it takes priority over the respondent's application, which was filed 2 April 2013. As such, the respondent's trademark application ought not to have been received, and its subsequent registration was therefore, made in error and hence ought to be cancelled as a way of rectifying the register as required under section 88 of the Trademarks Act, 2010. Between 16 April 2012 to 2 April 2013, it is almost a year.
27. It is not clear why, before registering the respondent, the Registrar did not spot the existence of a pending application on the register sought to be registered in the same class as the one, which the applicant had applied for. Had the Registrar discovered this fact, the respondent's mark would not have been granted as it is not only similar but in fact, the same mark as the one the applicant had applied for in trademark application number 45153. It is also surprising however, that when the respondent advertised the disputed mark in the gazette which was published on the 26<sup>th</sup> April 2013, the applicant or its agents never filed an objection/opposition to registration.
28. To assist the Registrar in resolving this difficult issue, I requested advocates of both parties to address me, in their respective submissions, on the issue of expiry of applications under the Trademarks Act and how it affects the current case. I raised this point because, it was not clear to me why the applicant did not take the necessary and practical steps to complete its application and how such a stalled application should be treated under the law as at the time of determining this dispute. I also raised it because the inordinate delay by the applicant to follow up and complete its application, and consequently the delay to file this application, would affect the respondent who has operated for almost 8 years without worry that a challenge would arise threatening its trademark.
29. In other causes of action usually before Courts of Judicature such as breach of contracts, torts, actions for recovery of land etc., the act of Limitations comes into



play to protect persons from the threat of litigation hovering over their heads forever. As such, actions have limitations setting a number of years, beyond which an aggrieved party is barred from filing an action to enforce rights. The act of limitations is also premised on the equitable principles requiring vigilance on the part of claimants and punishing/discouraging unreasonable delay to enforce rights. Unfortunately, there is no provision of limitations in the Trademarks Act, 2010 to address this issue nor does the Act of Limitations apply to these proceedings. However, the Registrar in granting remedies under the Act must always be alive to the principles of justice, fairness and equity. The Registrar exercises quasi-judicial power, which must be exercised judiciously.

30. Nevertheless, let me summarize the facts essential to this question. On 16<sup>th</sup> April 2012, the applicant filed for registration of the disputed trademark vide application number 2012/45153 "Liberty" in class 36. I have perused the registry file of the application and established the following; the mark was advertised in the gazette dated 27 July 2012. The last action on record is the exam report rejecting the mark, issued on 22 August 2018. Between 2012 and 2018, a period of 7 years, there is no any evidence of communication between the applicant or its agents and the Registrar. The registration was not completed nor was there any follow up by the applicant or its agents until 22 August 2018.
31. Section 16 (3) empowers the Registrar to issue non-completion notices requiring the applicant who has not completed its registration within 12 months to complete its application, and where there is no adherence, the application can be considered abandoned. This too was not done. Therefore, the applicant's application number 45153 remains pending but cannot proceed because of the existence of the respondent's trademark, which was registered albeit before the 12 months of the applicant's application had expired. While the abandonment of an application occurs upon the determination of the Registrar by issuing non-completion notices, this in and of itself does not exonerate the applicant from its obligation to do its part and complete the registration. I therefore do not agree with the arguments of Counsel for the applicant in the submissions in rejoinder that it was not the duty of the applicant to move the Registrar to complete the process. While the Registrar

has a duty to issue non-completion notices, the primary duty to complete the registration lies with the applicant who filed the application in the first place, and who is interested in the trademark anyway. Having failed to complete the registration, Counsel for the applicant cannot turnaround to argue that its duty is dependent on the registrar issuing non-completion notices. The provisions of section 16 (3) of the Trademarks Act is a tool to aid the Registrar in efficient administration of the Register and not to be invoked as a scapegoat for the applicant's own unreasonable delay.

32. In the statement of grounds, the applicant purports to cover this delay in para 1(b) by stating that “ *the trademark registry file, containing all the necessary documentation, in respect of the trademark application no. 41513 “LIBERTY” in class 36 went astray for a long time. As a result, and to no fault of the applicant nor its agent, the examination and ultimately the progress of the pending application was stalled*”. It is not clear what the applicant means when they state that the file “went astray”. The statutory declaration in support of the application sworn by its Managing Director Joseph Almeid too does not help to elaborate this averment.
33. The online dictionary defines *go astray* to mean: “*wander off the right path or subject*”. I suppose that by using these words, the applicant implies that the file was misplaced and hence the registration could not proceed. When asked during scheduling whether any formal follow up was made, Counsel for the applicant inquired from the applicant's officials and confirmed that none was made. Counsel however, insisted that follow up was made verbally. This argument is not convincing. An applicant or agent cannot sit on its rights for 8 years without formal protest. While it may be possible to follow-up verbally by office walk in for a few months, it is not tenable that an interested applicant would not formally write to the Registrar about the delay or the missing file for eight straight years! As such, the applicant is partly to blame for sitting on its rights leading to the current situation.
34. In his written submissions, Counsel for the applicant has relied on section 25 (2) of the Trademarks Act, which states that “*subject to section 26, a trademark relating to services shall not be registered in respect of services or description of*

*services that is identical with or nearly resembling a trademark belonging to a different owner and already on the register in respect of (a) the same services; (b) the same description of services; (c) the goods or a description of goods which are associated with those services or services of that description.*” Counsel for the respondent contends that such a section only applies to registered rights and not pending applications as that of the applicant. With all due respect I disagree with Counsel for the respondent for the reasons I will state below;

35. Clearly, section 25 also protects the person who files their application with the registrar and not only the one who has completed registration. This is the essence of the words “*belonging to a different owner and already on the register*” in that section and is the reason why a search is required to be conducted under section 5, before an application for a trademark is filed. The registrar too is required to conduct a search under regulation 23 of the Trademark Regulations before approving an application. Existence of a trademark similar to that existing on the register—whether as a pending application or a registered trademark, is indeed one of the grounds for which the Registrar may reject an application under section 7 (2) (a).
36. It is not in dispute that the applicant’s application number 2012/45153 in class 36 for the mark “LIBERTY” was filed first on the register before that of the respondent. It is also not in dispute that the services of the applicant and those of the respondent, for which the disputed mark was being sought for, are similar. As earlier noted, had proper diligence been done to establish that the applicant’s trademark application was pending, the respondent’s trademark would not have been registered. While Counsel for the applicant imputes bad faith on the respondent on the basis that no search was conducted and that there is no evidence of search fees, I disagree with this argument. This is because; while there is a duty to conduct a search under section 5 of the Trademarks Act, 2010, that provision does not impose a duty to submit such a report to the Registrar at the time of the application. It reads; “*A person who intends to apply for the registration of a trademark shall carry out a search to ascertain whether the trademark exists in the register upon payment of a prescribed fee*”. The search required under

section 5 is for the applicant's own knowledge of the marks existing on the register likely to be an obstacle to the intending applicant. It is not meant to be submitted to the registrar, as the registrar is the custodian of the register and conducts a search of his or her own. The search under section 5 is therefore for the applicant's own knowledge. Moreover, under section 25, the Registrar is impliedly required to conduct another search during substantive examination to ascertain whether the mark resembles another one already on the register. Whether the applicant's search under section 5 is positive or negative, and I should add that the Registrar does not have to consider it in his or her examination, the registrar conducting examination is entitled to make his or her decision based on his or her own assessment. Counsel's arguments that the respondent did not pay search fees are not supported by evidence. Section 101 of the Evidence Act, Cap 6 imposes the burden of proof on the applicant. The applicant has not submitted any evidence to prove this allegation. Be that as it may, there is a bulky receipt of 150,000/- dated 2<sup>nd</sup> April 2013 which cannot have been for application fees only. As such, the arguments that the failure to submit a search report by the respondent as well as search receipts as evidence of bad faith are merely speculative.

37. It is therefore clear that the respondent complied with all statutory requirements for registration of its trademark, from conducting a search to publication in the gazette and consequently to registration and obtaining of a certificate of registration. As such, its trademark cannot be said to be registered illegally. To hold so is to suggest that the respondent on their own volition, breached provisions of the Trademarks Act, in the process of registering the mark. This line of argument is not supported by evidence. As already stated, the error was occasioned at the Registry and not by the respondent's deliberate actions.

38. Upon registration, the respondent, as any other business entity would, operated under its brand name "LIBERTY" as stated in its counterstatement and the statutory declaration of Prof. Minaz Karmal Director of the Respondent. The respondent has, according to the statutory declaration of Prof. Minaz, proceeded to register its "Liberty" brand in different classes of goods and services including

Trademark No. 54329 in class 43, 54328 in class 41, 54327 in class 35, 52911 in class 39, 67843 in class 35 and 61804 in class 42.

39. Counsel for the respondent submits that under section 16 of the Trademarks Act, once an application has been accepted and is not objected to, the Registrar is under duty to register it. While that interpretation is correct, subject only one exception that the registrar may refuse to register the trademark if the application was accepted in error, it is not applicable in this case because the trademark was eventually registered—leading to these proceedings—which arise only after a trademark has been duly registered.
40. The question at this stage is whether in the circumstances, owing to the first prior application by the applicant, the respondent's trademark should now be cancelled. Counsel in support of the application has made several arguments including among others, that the respondent's application was filed in bad faith, that respondent was aware of the applicant's pending application and ought to have discovered this fact through a search. Counsel also faults the Registrar for failing to consider the existing prior application and contends that this was calculated to by the respondent to ride on the applicant's good will. As earlier noted, the Respondent conducted a search and complied with all statutory requirements and as such, the argument that it did so in bad faith is not supported by evidence. The error that happened resulted from the registry and cannot be imputed on the respondent.
41. At the beginning of this ruling, I pointed out the issue of inordinate delay by the applicant to complete its application as central to this inquiry in light of the current situation. This is because, from the evidence filed by both parties, it is clear that both parties have honest and genuine claims to the disputed trademark. The applicant was the first to file, and its application remains on the register although it is faulted for waiting for 8 years to follow up and complete its application. It has also been licensed to operate in Uganda as an insurer as evidenced by the licenses attached to the statutory declaration.
42. Because of the delay by the applicant to complete its application for registration of its trademark and to file this application, the respondent has operated under its

brand name free from the risk of legal challenge until 2021 when this application was filed. It would be an injustice at this stage to cancel its trademark as Counsel for the applicant prays.

43. Section 88 which gives the Registrar power to cancel entries provides as follows;
- “(1) 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.
- (2) The [court](#) or the [registrar](#) may in any proceeding under this section decide any question that it may be necessary or expedient to decide in connection with the rectification of the [register](#).
- (3) In case of fraud in the registration, [assignment](#) or [transmission](#) of a [registered trademark](#), the [registrar](#) may himself or herself apply to the [court](#) under this section.
- (4) An order of the [court](#) rectifying the [register](#) shall direct that the notice of the rectification be served in the prescribed manner on the [registrar](#) and the [registrar](#) shall, on receipt of the notice, rectify the [register](#) accordingly.
44. Under section 88 (1), it is clear that the Registrar has discretion to grant a series of remedies. These include making, expunging, or varying an entry. Subsection 2 of the same section empowers the Registrar to decide questions that may be necessary for rectification of the register. These questions, in my opinion, have been decided in these proceedings. They include the observation by the Registrar that both the respondent complied with statutory requirements and that the error was not due to any fault on its part, that respondent has operated under its brand for 8 years and lastly, the applicant’s own mistake of inordinate delay to follow up its application and thereafter, the failure to bring this application earlier before the respondent had marketed its brand extensively. For both parties, it was noted that there has been bonafide use of disputed mark in the various classes and indeed under class 36, for the respondent in Uganda and for the applicant, in South Africa

and other countries. This elaborate analysis is important to guide the Registrar in exercising his discretion under section 88 to administer justice.

45. Consequently, cancellation of the respondent's mark under which it has marketed its services for such a long time would not serve the ends of justice. Nor would prevention of the applicant from completing the registration of its trademark given that it was the first in time to file. Fortunately, the Trademarks Act, 2010 envisaged a situation of this nature, where both parties have genuine and legitimate claims to the trademark and provided the registrar with discretion to grant a remedy of concurrent use under section 27 of the Trademarks Act, 2010. This would lead to a win-win situation. Section 27 provides the Registrar or court, the authority to permit concurrent use in two situations; (1) where there is honest concurrent use by both parties; (2) where other special circumstances exist.

I produce section 27 below. It provides:

*"The [registrar](#) or [court](#) may permit the registration by more than one owner, in a case of honest concurrent use or other special circumstances in respect of—*

- (a) the same goods or services;*
- (b) the same description of goods or services;*
- (c) goods and services or descriptions of goods and services which are associated with each other; or*
- (d) trademarks that are identical or nearly resemble each other, subject to such conditions and limitations as the [registrar](#) or the [court](#) may impose."*

46. While the section does not define what "other special circumstances" entail, it left this to the discretion of the registrar or court as the case may be. I am convinced that circumstances of this case as analyzed above would squarely qualify as special circumstances under this section. Am fortified in this belief by the provisions of section 88 (2) that requires the Registrar to decide any question that may be necessary to decide in connection with the rectification. Those questions have already been decided. The overall question that must be decided at this point is which remedy that would serve the ends of justice. The answer lies in permitting concurrent use under section 27. The High Court in the case of **Nairobi Java House Ltd v Mandela Auto Spares Ltd Civil Appeal No 13 of 2015** has prescribed the same remedy on the basis that the appellant's mark was already

registered in Nairobi. Similarly, in this case, besides the appellant having its mark registered in South Africa and other countries, it did indeed file in Uganda for registration of its mark, before the respondent. This qualifies as a special circumstance for the Registrar to consider.

47. I have addressed my mind to the decision of the Registrar in the matter of Application for cancellation of **trademark No.59228 “weatheguard” in class 2 in the names of Akso Nobel Coatings International Bv and application for cancellation by Kansai Plascon Uganda Ltd** in which the Registrar cancelled an earlier mark registered in error pursuant to section 88 of the Trademarks Act. The facts of that case are distinguishable from the instant case. In that case, the respondent was registered as proprietor of trademark No.59228 “weatheguard” in class 2 on 4<sup>th</sup> May 2018. The applicant, who had registered for the same mark in 2002 under the same class, filed an application for cancellation on 10<sup>th</sup> December 2018. Having found that the respondent’s was registered in error owing to the applicant’s earlier mark that was registered in 2002, the registrar exercised his power under section 88 of the Trademarks Act and cancelled the respondent’s mark. In that case, both the applicant and the respondent were fully registered marks. In this case, the applicant is not registered while the respondent is registered.

48. The facts of this case are also distinguishable from above case with respect to the inordinate delay by the applicant. In the instant facts, the applicant’s delay to complete its registration and indeed to file this application are critical and exceptional circumstances I have considered. In the weatheguard case above, the applicant had already registered its mark, and acted within 7 months to apply for cancellation of the offending mark. This means that the respondent’s mark was challenged before they had spent resources to market and before they had built brand recognition based on the disputed trademark. In the instant case, the applicant did not complete its application in the first place due to fault of its own. It filled the application in 2012, and only attempted to complete in 2018. It also delayed to file these cancellation proceedings and hence left the respondent to build its brand widely around the disputed mark. The long use of the trademark by



the respondent, without challenge, qualifies as bonafide use. Similarly, the use of the “Liberty” name for insurance services by the applicant through its subsidiary as evidenced by the evidence of licenses granted to trade as an insurer and the fact of initial filing qualifies the applicant as a bonafide user. As such, while it was just and fair for the Registrar to cancel the respondent’s mark in weatherguard case above, it is unfair in the current circumstances. This is why I reject Counsel’s prayer for cancellation of the mark and prescribe the remedy of concurrent use under section 27.

49. I note that the remedies available to the Registrar in exercising his or discretion under section 88 includes, among others, “varying the entry”. For harmonious co-existence, I will direct variation of the entry in the remedies.
50. Before I conclude this issue, let me also address the applicant’s grounds and Counsel’s arguments based on article 6<sup>bis</sup> of the Paris Convention as well as those based on section 44. Counsel for the applicant contends that it’s “LIBERTY” trademark is well-known world over and in Uganda and as such, it is protected in Uganda pursuant to the provisions of article 6bis of the Paris Convention. Counsel submits that a trademark though not registered in Uganda, is entitled to apply for cancellation of a similar mark and cites the Wipo Joint Recommendation on well-known marks as well as the case of **McDonalds Corp v Joburgers Drive-Inn Restaurant PTY LTD 1997 (1) SA 1 (A)** to support this argument. While I appreciate Counsel’s elaborate submissions on the protections of article 6bis of the Paris Convention, I disagree with them. The Registrar considered the of issue of well-known marks and the protections under the Paris convention in the opposition proceedings to Trademark in **Wave Intellectual Property Inc. v Agaba Ernest Opposition to Application NO. UG/T2022/074413 ‘WAVE EXPRESS’ INCLASS 36** and held that articles 6<sup>bis</sup> must be applied in a manner domesticated under the Trademark Act. 2010. Consequently, the Registrar found that with respect to well-known marks, article 6<sup>bis</sup> of the Convention was domesticated under section 47 of the Trademark Act, which is applicable to defensive registration of exceptionally well known marks in all classes and not as a basis for opposition or cancellation proceedings. Similarly, Counsel for the applicant can only claim article

6<sup>bis</sup> protections to well-known marks only in application for defensive registration and not in these proceedings. The case of MacDonald's cited by Counsel is therefore not applicable in these circumstances. That case interpreted section 35 of the South African Trademark Act, 1993 which domesticated the provisions of the Paris Convention on well-known marks in a manner different from the way the Ugandan legislature domesticated the same.

51. Even if Uganda had not domesticated article 6<sup>bis</sup> differently, arguments based on article 6bis would not arise in this application, as the applicant's mark was indeed already on the register when it filed its application in 2012. The Ugandan trademark system protects marks from the date of filing and not from the date of grant of registration. This is what is known as the first to file principle as opposed to the first to use principle. The WIPO, Intellectual Property for Business Series Number 1 define first-to-file countries as those where rights to a trademark belong to the first business to file an application for that trademark. As such, the applicant—having been the first to file, is within its right to claims protections under the Trademarks, without invoking protections under international conventions.
52. Second, protections for trademarks registered in the country of origin under section 44 of the Trademark Act, 2010 also do not apply to the fact of this case. This is because section 44 applies to opposition to registration and not application for cancellation of an already registered trademark. It states; "*Subject to subsection (3), the registrar may refuse to register a trademark relating to goods in respect of goods or description of goods if it is proved to his or her satisfaction by the person opposing the application for registration that the mark is identical with or nearly resembles a trademark which is already registered in respect of...*" The underlined words in this section clearly show that section 44 can be claimed in opposition proceedings and not cancellation proceedings as Counsel for the applicant suggests.

## **REMEDIES**

53. Counsel for the applicant prayed for cancellation of the trademark number 47160 and costs of the application. As enumerated above, cancelling the respondent's mark will not serve the ends of justice in the circumstances of this case. I

accordingly grant the remedy of concurrent use under section 27 of the Trademarks Act because of the special circumstances discussed above. However, I note that the Registrar is given discretion under section 27 to impose conditions and limitations for concurrent use of trademarks to prevent confusion in the market. Similarly, section 88 allows the Registrar to vary the entry. For harmonious co-existence of both trademarks, I impose the following conditions, and require variation as follows.

- i. The applicant shall amend its application and modify its trademark in a manner that will ensure co-existence with the respondent's mark without causing confusion. The registrar shall examine approve the modified version of the mark to ensure harmonious co-existence.
- ii. The application partially succeeds.
- iii. Each party shall bear its costs.

I so order,

Given under my hand, this **14<sup>th</sup>** day of **July** 2023

\_\_\_\_\_  
Birungi Denis  
Ass. Registrar of Trademarks