



**THE REPUBLIC OF UGANDA**  
**IN THE MATTER OF TRADEMARK APPLICATION NO.2009/40232 "SAFFI" IN**  
**CLASS 30 IN THE NAME OF S.D.T GROUP OF COMPANIES LTD**  
**AND**  
**OPPOSITION THERETO BY KRSTALLINE SALT LTD**  
**KRYSTALLINE SALT LTD=====OPPONENT**  
**VERSUS**  
**S.D.T GROUP OF COMPANIES=====APPLICANT**

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

**A. Background**

1. On the 19<sup>th</sup> day of August 2009, the applicant filed application **UG/T/2009/40232** for registration of a trademark "**SAFFI**" under Part A in Class 30 of the Nice Classification of Goods and Services in respect of all goods in that class, including salt and sugar. The applicant was issued with a gazette notice, which was published in the Uganda Gazette.
2. The opponent is a Kenyan company carrying on the business of salt manufacturing in East Africa and other countries, and is a holder of "**SAFFI**" trademark mark registered in the Republic of Kenya in 2008 under trademark number **KE/T/2001/051887** with respect to salt. The opponent contends that it has marketed its salt products under the disputed mark, across East Africa and beyond and as such, the trademark has become well known.
3. The opponent filed this opposition against the registration of the applicant's mark on grounds that the applicant's trademark "**saffi**" is confusingly similar to its "**saffi**" trademark registered in the Republic of Kenya and that the registration is intended to pass off their goods and cause confusion in the market.

4. This opposition was filed in 2009. A different Registrar first heard it. Upon following up on the delivery of the ruling by the opponent's advocates, the case was assigned to myself for further management. The record did not have submissions despite the existence of a letter dated 13 August 2010, communicating the timelines given for filing of submissions at the time.
5. There was also no record of proceedings to ascertain whether scheduling had been conducted. Given the time lag, and in the interest of justice, the Office issued a hearing notice dated 7 November 2023 inviting both parties for a mention and fresh scheduling. The opponent's advocates contended that the advocates of the applicant had since ceased to have instructions in the matter and that they could not effect service of the hearing notice to the applicant, as they did not find them at the registered physical address.
6. The Office administratively directed that service instead be effected by registered post and a subsequent hearing notice dated 12 February 2024 was issued for service. The opponent's advocates, accordingly served by registered post, and filed an affidavit of service to that effect. On that basis, the matter proceeded albeit without the applicant participating at this stage. While the applicant has not filed written submissions, their case is clearly made out in the counterstatement as well as the statutory declaration, which I have carefully considered in resolution of the issues.

## **B.ISSUES**

7. The matter came up for mention and scheduling on 7<sup>th</sup> March 2024. Counsel Kiwunda Matthew of Muwema and Company Advocates represented the opponent, while the applicant was not represented. The following issues were framed for determination.
  - (i) Whether the opponent has locus to file this opposition?

- (ii) If, issue one is answered in the affirmative, whether the applicant's trademark is confusingly similar to the opponent's registered trademark?
- (iii) Remedies available to parties


### C. RESOLUTION

#### *Issue No.1. Whether the opponent has locus to file this opposition?*

8. The word locus standi has been explained by Court in the case of **Fakrudin Vallibhai Kapasi v Kampala Land Board and Another Civil Suit No. 570 of 2015** as follows;  
*“By locus standi is meant the legal capacity of a person which enables him or her to invoke the jurisdiction of the court in order to be granted a remedy. Locus standi is intrinsically related with the cause of action in any given suit to enable a plaintiff to move court. In Fenekasi Kiwanuka vs. Malikit Singh Sondh case (supra) this court had the occasion to observe that one of the basic tenets that underpin the principle of locus standi is that court's time should not be wasted on hypothetical and /or abstract issues, or at the instance of mere busy bodies who have no genuine cause.”* [Emphasis mine]
9. Guided by the above principle, it is not open for any person to oppose registration of a trademark without justifiable grounds. While section 12 of the Trademarks Act, 2010 gives a person a right to object to registration of a trademark, the objector or opponent must only do so on the basis of the grounds provided by law. These include among others, that the applied for trademark is confusingly similar to the opponent's mark registered trademark (see section 25 of the Act), that the trademark is contrary to law within the meaning of section 23 of the Trademarks Act, the trademark is not distinctive within the meaning of section 9 or that it is confusingly similar to and is likely to cause confusion with an already registered mark.
10. The opponent is also permitted under section 44 to oppose the registration of a trademark on grounds of similarity with a mark registered in the country of origin as long as the opponent satisfies all

the conditions under that section. Other grounds permitted include objection on the basis that the applicant intends to register in the trademark in bad faith—and for this, bad faith must be specifically proved and evidence of the same adduced.

11. Save for the ground under section 44 and the allegation of bad faith, where an opponent raises a ground of confusing similarity with its registered mark, the alleged trademark must be registered in Uganda. This is because of the territoriality principle, which is to effect that intellectual property rights are limited to the territory of the country where they have been granted. The opponent alleges that the registration of the applicant’s trademark will cause confusion with its trademark registered in the Republic of Kenya, under trademark number **KE/T/2001/051887**. There is no doubt that the applicant and the opponent’s trademarks as indicated below, are extremely similar and would likely cause confusion in the market.

<i>Applicants Mark</i>	<i>Opponents mark</i>
	

12. Despite the striking similarity and resemblance, the opponent’s trademark was registered in Kenya in 2008 and therefore it is not protected in Uganda. Uganda follows the "first to file" system which grants rights to the person who first filed a trademark application, even if another party can show prior use of the trade mark. The “first to file system” is in contrast with the "first to use" system which recognises an

unregistered brand being used as a trademark and confers some rights on the owner. This applies in some jurisdictions but not in Uganda.

13. The opponent has never filed for registration of its trademark in Uganda but contends that it has marketed its products under that brand across East Africa and beyond, and hence its trademark has become well known justifying protection, including by granting this opposition. By this argument, the opponent raises two points; first, that it should be protected because it was the first to use the trademark having registered the same in the Republic of Kenya and used the same in East Africa ever since. Second, that since the trademark is well known, it should be protected in Uganda. Third, Counsel submits that since the opponent acquired its right through an assignment from Mombasa Salt Ltd, then it has acquired rights and has locus to file this opposition.
14. I disagree with all the three arguments. With regard to the first argument, Uganda follows the first to file, and not the first to use system. Accordingly, the territoriality principle defeats the opponent's claim given that their protection in Kenya does not extend to Uganda. The territoriality principle is clearly set out in article 6 (3) of the Paris Convention for the Protection of Industrial Property, which states; "*A mark duly registered in a country of the Union shall be regarded as independent of marks registered in the other countries of the Union, including the country of origin*".
15. On the second argument, protection of well-known mark is only achieved by defensive registration in all classes within the parameters set by section 47 of the Trademarks Act, and may not be sought in any other way. Moreover, to qualify for such registration, the opponent ought to first meet the criteria for well-known marks provided under section 47 (2). This office has settled the position of the law on well-known marks in the *Matter of Trademark Application No. UG/T/2022/074413 'Wave Express' In class 36 In The Name Of Agaba Ernest And Opposition Thereto By Wave Intellectual Property Inc. where it stated at para 43 of the ruling;*

*“It should be noted that the protection of well-known marks under the convention were domesticated under section 47 of the Trademarks Act with respect to defensive registration only, and protection is granted not to well-known marks but exceptionally well-known marks. The use of the words “exceptionally” in the Ugandan Trademark Act, sets even a higher standard beyond what the Paris Convention provides”*

16. The last argument regarding assignment of rights in the disputed mark to the opponent as the basis for its locus to file these proceedings is also unfounded. As stated earlier, the opponent’s mark was registered in the Republic of Kenya, and its protection is limited to that territory/jurisdiction and does not extend to Uganda because of the territoriality principle. The assignment of the trademark to the opponent did not have the effect of extending protection to Uganda. It was a mere transfer of ownership of the mark in the same territory of protection. The only option that was available to the opponent was to proceed to register its trademark in Uganda, which unfortunately it failed to do, leaving it open for any other person to register it as their own in Uganda.
  
17. In its grounds of opposition, the opponent contends that the applicant’s trademark application was filed in bad faith with an intention of depriving the opponent of the use of its mark. However, particulars of bad faith are not stated. Paragraph 9 of the statutory declaration of Mr. Otee Leonard merely states that the application was motivated by ill will. The statutory declaration does not state instances or circumstances giving rise to bad faith.
  
18. In proceedings of this nature, the Registrar normally adopts generally accepted principles and procedures of due process applied by Courts and other tribunals in administration of justice. Bad faith, fraud, misrepresentation, breach of trust, willful default or undue influence are causes of action that are required to be specifically pleaded and proved. *See HCT-00-CC-CS-0588 of 2003 Robert Mwesigwa and Another v Bank of Uganda*

19. It is therefore a cardinal rule of procedure and prudent practice that bad faith must be specifically pleaded and proved and the office follows the same. Bad faith was defined in **Gromax Plasticulture Ltd v Don & Low Non-Wovens Ltd (1999) RPC** as “*dishonesty and dealings that fall short of the standards of expected commercial behavior*”. The case of **Chicoladefabriken Lindt & Sprungli AG v Franx Hauswirth GmbH C-529/07** set the criteria for assessing bad faith in trademark disputes. The factors to consider are; (i) the applicant’s knowledge of the opponent’s mark; (b) the intention of the applicant; (c) the extent of the reputation enjoyed by the mark applied for.
20. The United Kingdom Supreme Court decision—**Sky v Sky kick [2021] EWCA Civ 1121**, at paragraph 67 of the judgement exhaustively discussed the question of bad faith and summarized the applicable principles derived from numerous cases of the Court of Justice of the European Union (CJEU), which I have found persuasive and I highlight below;
- (i) The allegation that a trademark has been applied for in bad faith is one of the absolute grounds for invalidity of an EU trade mark which can be relied on before the EUIPO or by means of a counterclaim in infringement proceedings:
  - (ii) Bad faith is an autonomous concept of EU trademark law, which must be given a uniform interpretation in the EU.
  - (iii) The concept of bad faith presupposes the existence of a dishonest state of mind or intention, but dishonesty is to be understood in the context of trade mark law, i.e. the course of trade and having regard to the objectives of the law namely the establishment and functioning of the internal market, contributing to the system of undistorted competition in the Union, in which each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trademarks signs which enable the consumer, without any possibility of confusion, to distinguish those goods or services from others which have a different origin:

- (iv) The concept of bad faith, so understood, relates to a subjective motivation on the part of the trademark applicant, namely a dishonest intention or other sinister motive. It involves conduct which departs from accepted standards of ethical behaviour or honest commercial and business practices:
- (v) The date for assessment of bad faith is the time of filing the application:
- (vi) It is for the party alleging bad faith to prove it: good faith is presumed until the contrary is proved:
- (vii) Where the court or tribunal finds that the objective circumstances of a particular case raise a rebuttable presumption of lack of good faith, it is for the applicant to provide a plausible explanation of the objectives and commercial logic pursued by the application:
- (viii) Whether the applicant was acting in bad faith must be the subject of an overall assessment, taking into account all the factors relevant to the particular case:
- (ix) For that purpose it is necessary to examine the applicant's intention at the time the mark was filed, which is a subjective factor which must be determined by reference to the objective circumstances of the particular case:
- (x) Even where there exist objective indicia pointing towards bad faith, however, it cannot be excluded that the applicant's objective was in pursuit of a legitimate objective, such as excluding copyists:
- (xi) Bad faith can be established even in cases where no third party is specifically targeted, if the applicant's intention was to obtain the mark for purposes other than those falling within the functions of a trade mark:
- (xii) It is relevant to consider the extent of the reputation enjoyed by the sign at the time when the application was filed: the extent of that reputation may justify the applicant's interest in seeking wider legal protection for its sign:



(xiii) Bad faith cannot be established solely on the basis of the size of the list of goods and services in the application for registration:

21. The opponent has not proved that the applicant had prior knowledge of the opponent's trademark at the time of filing the application nor that the applicant had the intention of unjustly registering and acquiring the opponent's trademark. Section 101 of the Evidence Act, Cap 6 implores a person that alleges to prove the allegation to the required standard. It states; *"Whoever desires any court to give judgment as to any legal right or liability dependent on the existence of facts which he or she asserts must prove that those facts exist."* The opponent has not discharged that burden.
22. Applying for the exact same mark that was earlier registered in another country may point to the possibility of bad faith but without specific evidence proving bad faith, this merely remains an assumption. Even then, in circumstances of this case and considering the territoriality principle, bad faith must not only be proved but the opponent must show that first, it had intention to register its trademark in Uganda, and that the opponent filed it in bad faith to defeat its intended registration. The opponent has not stated anywhere that it intended to register the disputed mark in Uganda nor has it proved malicious conduct on the part of the applicant. The principles cited in Sky case (supra) are indicative of the complexity of determining bad faith and the need for an in-depth assessment of the evidence adduced at trial. A dishonest and improper motive may exist but determining with certainty that it does require a comprehensive assessment of evidence, consideration of all relevant factors highlighted in the Sky case above, which in this case, the opponent has failed to do. Consequently, I reject the ground of bad faith.
23. Having omitted to register in Uganda, perhaps the opponent could have benefited from the protection accorded to trademarks registered in the country of origin under section 44 of the Trademarks Act. However, the opponent has not pleaded section 44 protections, nor does it satisfy the requirements of that section. That section permits the Registrar to refuse

registration of a mark if it is proved that the mark is similar to the one registered in the country of origin, and that it relates to the same goods or services. The rights provided under section 44 are subject to two conditions, provided in subsection 3 and subsection 4.

24. Section 44 (3) sets two conditions. I reproduce it below;

*An application to [register](#) shall not be refused under this section where—*

*(a) the applicant proves that he or she or his or her predecessors in business have in Uganda, in relation to the goods or services, continuously used the [trademark](#) for the registration of which he or she has made application from a date before the date of the registration of the other mark in the country or place of origin; or*

*(b) the person objecting does not give an undertaking to the satisfaction of the [registrar](#) that he or she will, within three months from the giving of the notice of objection, apply for registration in Uganda of the [trademark](#) registered in the country or place of origin and will take all necessary steps to complete the registration.”*

25. The first condition under section 44 (3) (a) is a shield available to an applicant to defend its application against an opponent claiming protection based on being registered in the country of origin. As long as the applicant or its predecessors have continuously used the mark for the goods or services in question for a period before the date the opponent registered its mark in the country of origin, then the Registrar is prohibited from refusing their application for registration and use of that mark. The rationale for this protection is that the applicant, whose continuous use in the country of the trademark predates rights of a foreign registered mark, should indeed be protected. The applicant did not raise this a defense.

26. The second condition in section 44 (3) (b) is imposed on the opponent who must give an undertaking to the Registrar to apply for registration of the disputed mark in Uganda within three months from the date of filing the notice of objection. The policy behind this requirement is that an owner of a foreign registered mark may not object for the sake of it.

They must do so with an intention of seeking registration and protection of their mark in the territory of Uganda. The opponent has not given this undertaking and as such does not meet the eligibility criteria for protection as a trademark registered in the country of origin within the meaning of section 44.

27. The last requirement under section 44 (4) is that of reciprocal treatment. The republic of Kenya, where the opponent's trademark is registered, must accord goods or services from Uganda the same or similar protections as those accorded under section 44. This is usually met when the country of origin has, in its governing law, expressly provided for similar protections. The opponent has not proved this, but even if it had done so, its claim would still fail for failure to give an undertaking as to registration of the trademark in Uganda as required by section 44 (3) (a).
28. Accordingly, having failed to prove any justifiable grounds for opposition, I find that the opponent does not have locus to file this opposition. I accordingly dismiss the opposition with no order as to costs.

I so Order.

Given under my hand, this **18<sup>th</sup> day of April 2024**

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Birungi Denis  
Ass. Registrar of Trademark