

**IN THE HIGH COURT FOR ZAMBIA  
AT THE COMMERCIAL REGISTRY  
HOLDEN AT LUSAKA  
(Civil Jurisdiction)**

**2022/HPC/0788**

**IN THE MATTER OF: SECTION 51 OF THE TRADE MARKS ACT,  
CHAPTER 401 OF THE LAWS OF ZAMBIA**

**IN THE MATTER OF: AN APPEAL AGAINST THE RULING OF THE  
REGISTRAR OF TRADEMARKS DELIVERED  
ON 13<sup>TH</sup> SEPTEMBER 2022**

**BETWEEN:**

**INTERCONTINENTAL GREAT BRANDS LLC**

**APPELLANT**

**AND**

**ZAYAAN INVESTMENTS LIMITED**

**RESPONDENT**

**AND**



**IN THE HIGH COURT FOR ZAMBIA  
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**ZAYAAN INVESTMENTS LIMITED**

**APPELLANT**

**AND**

**INTERCONTINENTAL GREAT BRANDS LLC**

**RESPONDENT**

**Before the Honourable Mr. Justice K. Chenda on 30<sup>th</sup> January 2024**

Appearances in cause 2022/HPC/0788 -

For the Appellant : Mrs T. Marietta-Sangwa of Howard & Marietta Legal Practitioners  
For the Respondent : Mr O. Z.-Katyamba of Katyamba & Co.

Appearances in cause 2023/HPC/0224 -

For the Appellant : Mr O. Z. Katyamba of Katyamba & Co.  
For the Respondent : Mr B.C. Mutale, S.C. with Ms M. Mukuka & Mr S. Musengwa all of Ellis & Co.



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## JUDGMENT

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### **Legislation referred to:**

1. The Trade Marks Act, Cap. 401 of the Laws of Zambia
2. The Trade Marks Act, 1938

### **Rules of Court:**

1. The High Court Rules, created under Cap. 27 of the Laws of Zambia

### **Case law:**

1. *Bentley Motors v. Lagonda Ltd* (1947) 64 RPC 33
2. *Gromax v. Don and Low* (1999) RPC 367
3. *Sablehand Zambia Ltd. v ZRA* (2005) ZR 109
4. *Nkongolo Farms Ltd. v ZANACO* (2005) ZR 78
5. *DH Brothers Industries (Pty) Ltd. v Olivine Industries Pty Ltd - Vol 2.* (2012) ZR 34 at p.42-43
6. *William Bailey's (Birmingham) Ltd's Application* (1935) 52 RPC 137 Ch
7. *Monster Energy Company v Trade Kings SA (Pty) Ltd and the Registrar of Trade Marks - No. 33735/18.*
8. *Berlei (UK) Ltd v Bali Brassier Co. Inc.* (1966) RPC 387 at 495
9. *Pan Press Publications Ltd Application for Rectification* (1948) 65 RPC 193 ChD
10. *Tresford Chali v Bwalya Emmanuel Kanyanta Ng'andu-* Appeal No. 84/2014 at p.J32-33
11. *Match Corporation Limited v Development Bank of Zambia & Anr.* (1999) ZR 18 at p.23
12. *Court of Justice of the Andean Community* [2023]: Preliminary Ruling 128-IP-2022

13. *Berlei (UK) Ltd v Bali Brassier Co. Inc.* (1969) 2 All ER 812
14. *British Sugar Plc. v James Robertson & Sons Ltd.* (1996) RPC 281
15. *Sadas SA v OHMI-LTJ Diffusion (Arthur et Felicie)* - Jdt. 24.11.2005  
case T-364/04
16. *Sabel v Puma AG* (1998) RPC 224
17. *Rysta Ltd Application* (1943) 60 RPC 87 at 108
18. *Afrope Zambia Limited v Anthony Chate & Ors* - Appeal No.  
160/2013 at p.J16

**Authoritative text:**

1. Halsbury's Laws of England 3<sup>rd</sup> Edition (1954) Vol. 38, London: Butterworth & Co. (Publishers) Limited at p.542, para. 903

## **1. INTRODUCTION AND BACKGROUND**

- 1.1 This case involves a battle of two brands namely 'OREO' and 'MOREO'S' which are the intellectual property (trade marks) of respectively Intercontinental Great Brands LLC ("**IGBL**") and Zayaan Investments Limited ("**Zayaan IL**").
- 1.2 The genesis is that IGBL objected before the Registrar of trade marks to registration of a second MOREO'S trade mark for some additional goods (application no. 1111/2017, hereinafter referred to as the "**new MOREO'S trade mark**"). IGBL also later applied before the Registrar to expunge the existing MOREO'S trade mark (no. 599/2007).

- 1.3 The Registrar in two decisions both dated 13<sup>th</sup> September 2022 declined to expunge the existing MOREO'S trade mark but upheld the opposition to registration of the new MOREO'S trade mark. For convenience, I will refer the two decisions as the “**expungement ruling**” and the “**objection ruling**”.
- 1.4 Dissatisfied with the expungement ruling, IGBL gave notice of intention to appeal to this Court on 7<sup>th</sup> December 2022 and lodged the appeal by record filed 31<sup>st</sup> January 2023.
- 1.5 Zayaan IL for its part was aggrieved by the objection ruling and gave notice of intended appeal on 29<sup>th</sup> March 2023. The subsequent appeal was lodged on 16<sup>th</sup> August 2023.
- 1.6 Upon application by IGBL with the concurrence of Zayaan Investment Limited, the two appeals were consolidated and heard in the sequence in which they were filed.
- 1.7 This is the reserved judgment, beginning with the appeal against the expungement ruling which can have a material bearing on that relating to the objection ruling.

## **2. THE APPEAL AGAINST THE EXPUNGEMENT RULING**

- 2.1 IGBL applied to the Registrar to expunge the existing MOREO'S trademark averring that it was the holder of two trade marks for OREO namely-

- i) no. 57/74 in class 30 effective 30<sup>th</sup> January 1974 for bread, biscuits, cakes, pastry and confectionary; and
- ii) no. 1/2007 in class 30 effective 3<sup>rd</sup> January 2007 for biscuits, cookies and crackers.

2.2 IGBL contended that on 27<sup>th</sup> September 2007, Zayaan IL applied for a confusingly similar trade mark MOREO'S no. 599/2007 (the existing MOREO'S trade mark), in respect of coffee, tea, cocoa, sugar, rice, tapioca, saga, artificial coffee, flour, preparation from cereals, bread, pastry, confectionary, biscuits, wafers, puffs, ices, honey, treacle, yeast, baking powder, salt, mustard, vinegar, sauces (condiments), spices, beverages with coffee, cocoa or chocolate base, pizza, cereals for human consumption, oat flakes and those made of others cereals.

2.3 IGBL complained that registration of the existing MOREO'S trade mark was secured by fraud and that it only discovered about the registration during the process of opposing the registration of the new MOREO'S trade mark.

2.4 Zayaan IL for its part admitted that the existence of the trade mark registrations and sequence were as stated by IGBL.

2.5 However, Zayaan IL disputed that its existing MOREO's trade mark is confusingly similar to the OREO trade marks, arguing that they are visually and phonetically distinct.

- 2.6 It was cross contended that Zayaan IL applied for the existing MOREO'S trade mark which underwent all due scrutiny and was registered without any objection.
- 2.7 The allegation of fraud or any wrongdoing was denied and Zayaan IL averred that it has exclusive rights to continue to utilize the existing MOREO'S trade mark.
- 2.8 In the expungement ruling, the Registrar found that following the passage of more than 7 years from registration of the existing MOREO'S trade mark, then by s.18 of the then **Trade Marks Act**, the mark could not be challenged unless proven:
- i) that the registration was obtained by fraud; or
  - ii) that the trade mark infringes on s.16.
- 2.9 The Registrar found that there was no evidence adduced by IGBL of fraud on the part of Zayaan IL.
- 2.10 The Registrar also reasoned that there was no infringement of s.16 (as despite the visual and phonetic similarities between OREO and the existing MOREO'S trade mark and despite him upholding the objection to registration of the new MOREO'S trade mark, for being confusingly similar to the OREO trade marks) it had not been proven by IGBL at the time of registration of the existing MOREO'S trade mark:
- i) that OREO trade mark was in use in Zambia; and



- ii) that OREO trade mark had acquired a reputation that entitled it to protection under common law.

2.11 The Registrar accordingly rejected the submission that there was any likelihood of deception or confusion at the time of registration of the existing MOREO'S trade mark.

2.12 On that score the Registrar declined to expunge the existing MOREO'S trade mark and dissatisfied with that, IGBL appealed to this Court on the following 6 grounds -

- “(i) The Registrar of Trade Marks erred in law and in fact when he held that there was no claim or evidence adduced by the Appellant to the effect that the Respondent's trade mark registration no. 599/2007 MOREO'S was obtained by fraud.*
- (ii) The Registrar of Trade Marks erred in law and in fact when he held that, on account of section 18 of the Trade Marks Act (the 'Act'), he was precluded from considering any other ground put forward by the Appellant, apart from the ground based on section 16 of the Act, and accordingly dismissed them in their entirety.*
- (iii) The Registrar of Trade Marks erred in law and in fact in his limited interpretation of section 16 of the Trade Marks Act, ignoring the elements which make it unlawful to register as a trade mark or part of a trade mark any matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a court of justice or would be contrary to law or morality, or any scandalous design.*
- (iv) The Registrar of Trade Marks erred in law and in fact when he held that the Appellant failed to establish both user and reputation of its mark at the relevant time and therefore concluded that there was no likelihood of deception or confusion, this notwithstanding the Appellant's prior trade mark registration nos. 57/74 OREO in class 30 and 1/2007 OREO in class 30 and the Registrar's own findings in the Ruling that the Appellant's and Respondent's trade marks are visually and phonetically similar.*

- (v) *The Registrar of Trade Marks erred in law and in fact when he failed to remove the Respondent's trade mark registration no. 599/2007 "MOREO's" in class 30 based upon the Appellant's earlier registered trade mark registration no. 57/74 OREO in class 30 and trade mark registration no. 1/2007 OREO in class 30 in terms of section 16 of the Act.*
- (vi) *The Registrar of Trade Marks erred in law and in fact when he finally and completely dismissed the Appellant's application for expungement of the Respondent's trade mark registration no. 599/2007 "MOREO's" in class 30 with costs."*

### **3. SUBMISSIONS FROM THE BAR AND HEARING OF THE APPEAL AGAINST EXPUNGEMENT RULING**

3.1 As can be deduced from the grounds of appeal:

- (i) Ground 1 challenges the finding that fraud was not established against Zayaan IL;
- (ii) Grounds 2 and 3 attack the reasoning that s.18 of the then **Trade Marks Act**<sup>(1)</sup> limited the grounds for consideration to s.16, to the exclusion of others advanced by Intercontinental GBL and also the Registrar's application of s. 16;
- (iii) Ground 4 challenges the finding that it was not established that the MOREO'S trade mark had a likelihood of deception or confusion; and
- (iv) Grounds 5 and 6 take issue with the resultant refusal to expunge the MOREO's trade mark.



- 3.2 In prosecuting the appeal, IGBL filed its heads of arguments on 31<sup>st</sup> January 2023 which were met with heads of arguments from Zayaan IL on 17<sup>th</sup> February 2023. IGBL had the final say through submissions in reply filed on 9<sup>th</sup> March 2023.
- 3.3 At the hearing on 11<sup>th</sup> April 2023, Counsel from both sides gave an overview of the competing arguments and highlighted the most salient points. Judgment on the appeal against the expungement ruling was initially set for 30<sup>th</sup> June 2023 but before that the parties moved for consolidation with the appeal against the objection ruling, as stated in the introductory parts of this judgment. The resultant Court activity necessitated an adjustment of the judgment date to on or before 31<sup>st</sup> January 2024.
- 3.4 That said, I must acknowledge that the arguments were very well researched and immensely useful to this Court in this highly specialised field of the law. I summarise the positions canvassed as follows.
- 3.5 In arguing this ground 1, IGBL submitted that deception and bad faith in seeking registration are elements of fraud. The cases of ***Bentley Motors v. Lagonda Ltd.***<sup>(1)</sup> and ***Gromax v. Don and Low***<sup>(2)</sup> were cited as authorities.

- 3.6 IGBL argued that it expressly complained about deception and bad faith on the part of Zayaan IL in paragraph 8, 11 and 14 as well as 13 and 16 respectively. It has also been alluded to that evidence in support was adduced in paragraphs 4, 5, 6, 7, 15.7 and 15.9 of the statutory declaration.
- 3.7 IGBL argued that Zayaan IL is in the habit of adopting marks identical to or similarly similar to well established trademarks to take advantage of their reputation. This, it was submitted, is evidence of fraud.
- 3.8 Further evidence of fraud was argued to be that Zayaan IL knew or reasonably ought to have known of the prior registration and use of the OREO trademark.
- 3.9 In response, Zayaan IL argued in ground 1 that IGBL failed to prove fraud to the requisite standard which is beyond a balance of probabilities. ***Sablehand Zambia Ltd. v ZRA***<sup>(3)</sup> has been cited as authority.
- 3.10 Zayaan IL also argued that withholding of information is not in general fraudulent unless there is a special duty of disclosure, of which it was argued there was none on the part of Zayaan to disclose to the Registrar about the OREO registration. The case of ***Nkongolo Farms Ltd. v ZANACO***<sup>(4)</sup> has been cited as authority.

- 3.11 In ground 2, IGBL argued that based on the authority of **DH Brothers v Olivine Industries**<sup>(5)</sup>, the Registrar ought to have construed section 16 in light of the other provisions of the Trademarks Act flagged by it, i.e. section 37 read with section 14 and 17. IGBL has thus faulted the Registrar for having considered section 16 in isolation.
- 3.12 Zayaan IL for its part cross argued in ground 2 that when properly construed, section 18 provides that after 7 years a challenge to a trademark is confined to grounds of fraud and those set out in section 16 without extension to any other part of the then **Trade Marks Act**.
- 3.13 The crux of the argument by IGBL in grounds 2 and 3 is that the Registrar misconstrued s.18 and 16 of the then **Trade Marks Act** and in so doing overlooked that the latter section extends to circumstances that are contrary to law.
- 3.14 IGBL advanced the case of **DH Brothers Industries (Pty) Ltd.** to argue that s.16 could not be read in isolation and that the Registrar should not over looked the complaint of IGBL that the existing MOREO's trade mark contravened not just s.16 but s.14 and 17(1) of the then **Trade Marks Act** for being non-distinctive and for closely resembling the OREO's trade mark in respect of the same goods thereby likely to be deceiving or confusing.

3.15 The response by Zayaan IL in grounds 2 and 3 was that after lapse of 7 years from registration of a trade mark, s.18 limited the grounds of challenge to two namely fraud and conflict with s.16.

3.16 Zayaan IL also argued that the ***DH Brothers Industries (Pty) Ltd. case*** is distinguishable in that its focus was on a contest between unregistered trade marks unlike the case at hand which is between registered ones.

3.17 It was argued in the alternative by Zayaan IL that the two competing trade marks could not be compared by splitting them into two and comparing one portion only. ***William Bailey's (Birmingham) Ltd's Application***<sup>(6)</sup> was cited as authority.

3.18 Instead the two should have been considered globally in respect of the visual, aural and conceptual issues as per authority of ***Monster Energy Company v Trade Kings SA (Pty) Ltd and the Registrar of Trade Marks***<sup>(7)</sup>.

3.19 Zayaan IL argued that with that approach one would find that the two competing trade marks are different phonetically and visually, leaving no possibility of deception or confusion to the consumer.

3.20 Failing all those arguments, Zayaan IL argued in grounds 2 and 3 that it should be, in the very least, found that the existing MOREO's trademark is permissible as honest concurrent use or other special circumstance under s.17 (2) of the then **Trade Marks Act**.

- 3.21 In ground 4 of the appeal IGBL faulted the Registrar for dwelling on the circumstances of use and reputation of the OREO trade marks.
- 3.22 It was argued that when s.16 is properly construed, the Registrar's focus should have been on how the existing MOREO'S trade marks sits with the pre-existing OREO trade marks.
- 3.23 IGBL reiterated that on the authority of ***DH Brothers Industries (Pty) Ltd. case***, there was a clear conflict between the existing MOREO'S trade mark and provisions of the then **Trade Marks Act** as argued in the earlier grounds.
- 3.24 In response, Zayaan IL argued in ground 4 that on the strength of authorities like ***Berlei (UK) Ltd v Bali Brassier Co. Inc.***<sup>(8)</sup> and ***Pan Press Publications Ltd Application for Rectification***<sup>(9)</sup>, in order for the quest for removal of MOREO'S to succeed, the OREO trade marks should have been in use in Zambia and should have had a reputation to protect at the time that the existing MOREO's was lodged for registration.
- 3.25 It was argued that since the evidence showed that the use of the OREO trade marks in Zambia only began in 2016, after registration of the existing MOREO's trade mark, then there was no user and reputation to even talk about for purposes of risk of deception or confusion to the consumer.

3.26 In ground 5 and 6 IGBL simply concluded that in light of its arguments in the preceding grounds, s.37(1) of the then **Trade Marks Act** ought to be invoked to expunge the existing MOREO's trade mark. Further that the appeal should ultimately succeed with costs in favour of IGBL.

3.27 The counter argument by Zayaan IL in grounds 5 and 6 was that in view of the arguments in ground 1-4, the Registrar correctly decided the matter in the expungement ruling which ought to be upheld. Consequent to that the appeal ought to fail with costs.

#### 4. ANALYSIS AND FINDINGS

4.1 I have closely studied the record of appeal and arguments, followed by a careful consideration thereof. I propose to deal with the grounds of appeal in the following clusters referred to in the preceding part of the judgment.

##### Ground 1

4.2 In *Tresford Chali v Bwalya Emmanuel Kanyanta Ng'andu*<sup>(10)</sup>, Mambilima, CJ gave the following apt guidance on the discourse of fraud in civil matters -

***"The law regarding the pleading and proving of fraud is well settled. It is trite that fraud must be distinctly alleged and proved. This is evident from Order 18/8/16 of the RULES OF THE SUPREME COURT, 1999, which states that ' Any charge of fraud or misrepresentation must be pleaded with the utmost***



particularity....' Order 18/12/18 of the RULES OF THE SUPREME COURT, 1999, is also couched in similar terms. It provides that **'Fraudulent conduct must be distinctly alleged and distinctly proved, and it is not allowable to leave fraud to be inferred from the facts.'**

*In addition, **the standard of proof for an allegation of fraud is higher than proof on a balance of probabilities, but lower than proof beyond reasonable doubt.** A case on point in this regard is our decision in the case of SITHOLE v. THE STATE LOTTERIES BOARD where we held that if a party alleges fraud, the extent of the onus on the party alleging is greater than a simple balance of probabilities."* (Emphasis added)

- 4.3 In the case before Court, IGBL has faulted Zayaan IL for not informing the Registrar that OREO was registered as a trade mark and IGBL has flagged that as partly evidencing fraud.
- 4.4 However, I have not found any provision of the law that required Zayaan IL to inform the Registrar about the pre-existing OREO trade mark that was on the register maintained by the very Registrar. I am thus persuaded to accept the argument of Zayaan IL anchored on the case of ***Nkongolo Farms Ltd. v ZANACO***<sup>(4)</sup> that the non-disclosure was not fraudulent in the absence of a legal obligation to disclose.
- 4.5 In addition, there is no evidence that Zayaan IL was even aware of the registration of OREO at the time of applying for registration of the existing MOREO'S trade mark.

- 4.6 I thus accept Zayaan IL's argument that the same way that IGBL only discovered about the existing MOREO'S trade mark in 2018 (11 years after registration), it is possible that Zayaan IL too was unaware of the pre-existing OREO trade marks when it applied for the existing MOREO'S in 2007.
- 4.7 Also, there is nothing that has been proven to establish that Zayaan IL actually did anything to deceive the Registrar into registering the existing MOREO'S trade marks in 2007 notwithstanding the prior registration of OREO.
- 4.8 It is not enough and infact impermissible to expect this Court to infer fraud just because:
- (i) OREO was renowned internationally and also already registered in Zambia at the time of applying for the existing MOREO'S trade mark in 2007; and
  - (ii) subsequent to registration of the existing MOREO'S trade mark, Zayaan applied for trade marks bearing similar names to other internationally renowned trade marks.
- 4.9 Therefore whilst IGBL did infact plead fraud and adduce what it considered evidence of it, it was not cogent enough to establish fraud in the registration of the existing MOREO'S trade mark. The position taken by Zayaan IL on this ground of appeal therefore takes the day.

### **Grounds 2 and 3**

- 4.10 To begin with, in ***DH Brothers Industries (Pty) Ltd. v Olivine Industries Pty Ltd***<sup>(5)</sup>, the Supreme Court endorsed the position of the trial Judge therein that the provisions of the then **Trade Marks Act** cannot be construed in isolation of each other and the spirit of the entire Act.
- 4.11 Given the wholesome endorsement of the Supreme Court in the aforesaid case, I disagree with Zayaan IL that the holistic construction of the then **Trade Marks Act**, should be confined to a contest between unregistered trade marks and shunned when it comes to a contest of registered trade marks.
- 4.12 Accordingly, I am bound to heed the guidance in the ***DH Brothers Industries (Pty) Ltd.*** case, by virtue of the doctrine of *stare decisis* (see ***Match Corporation Limited v Development Bank of Zambia & Anr.***<sup>(11)</sup>). Thus there is persuasive force in the argument of IGBL on the point.
- 4.13 Furthermore, construction of s.16 itself shows that it is actually a general provision that invites various forms of objection to a trade mark registration including where the use of the trade mark would be contrary to law or tainted with illegality. I reproduce the exact wording as:

*"It shall not be lawful to register as a trade mark or part of a trade mark any matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a court of justice or would be contrary to law or morality, or any scandalous design."*

4.14 I am fortified in dissecting s.16 as such by way of analogy to the almost identical s.11 of the **UK Trade Marks Act, 1938**<sup>(2)</sup> which provided as follows -

*"It shall not be lawful to register as a trade mark or part of a trade mark any matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a Court of Justice, or would be contrary to law or morality, or any scandalous design"*

and summed up by the learned authors of **Halsbury's Laws of England**<sup>(1)</sup>:

*"903. Matters deceptive, confusing, illegal, immoral, scandalous or otherwise disentitled to protection. **It is unlawful to register as a trade mark**, or part of a trade mark, **(1) any matter the use of which would, by reason of its being likely to deceive or cause confusion** or otherwise, be disentitled to protection in a court of justice; **(2) any matter the use of which would be contrary to law** or morality; **or (3) any scandalous design.**"* (Emphasis added)

4.15 Thus, in other words, because of the general terms in which s.16 of the then **Trade Marks Act** was couched, it was (in my view) wide enough to encompass IGBL's grounds for alleged infringement of s.14 and 17 thereof, which also ought to have been adjudicated upon by the Registrar.

4.16 Now Zayaan IL has invited this Court to alternatively consider s.17(2) of the then **Trade Marks Act** as a saving grace by considering Zayaan IL to be an honest concurrent user or otherwise specially circumstanced user.

4.17 In the Court of Justice of the Andean Community **[2023]: Preliminary Ruling**<sup>(12)</sup>, it was established that a person acts in bad faith if, at the time of requesting a trade mark registration, they know or should have known that the sign is similar or identical to a distinctive sign used by a third party abroad, to the point that it may give rise to confusion in the local market. The Court also expressed that such prior knowledge can be imputed if the distinctive mark is famous.

4.18 Turning to the case at hand, the evidence shows that the OREO brand was established more than 100 years ago and enjoys global fame (see p.85 [lines 9-16] and p.107 of the record of appeal).

4.19 The evidence also shows that Zayaan IL, just like IGBL, is a player in the international market for the same or similar consumable goods (see p.149 [lines 15-19] of the record of appeal).

4.20 Thus at the time of requesting for registration of the existing MOREO'S trade mark, Zayaan IL should have known that it was strikingly similar to the famous OREO being used abroad, such that it may cause confusion in the local Zambian market.

4.21 Accordingly, I have no hesitation in denying Zayaan IL any accommodation under s.17(2) of the then **Trade Marks Act** as my conclusion in the given circumstances is that Zayaan IL acted in bad faith in seeking registration of the existing MOREO'S trade mark.

4.22 Grounds 2 and 3 of the appeal therefore succeed, with or without the ingenious but untenable s.17(2) argument of Zayaan IL.

#### **Ground 4**

4.23 At p.23-24 of the expungement ruling, in paras. 75 to 79, the Registrar reasoned (see p.30-31 of the record of appeal):

*"75. The Applicant has shown through its evidence it is the proprietor of trade mark registrations Nos. 57/74 OREO in class 30 and 1/2007 OREO in class 30. It is also clear from the evidence that Applicant's registrations predates the Respondent's trade mark registration no 599/2007 which is the subject of these proceedings. The Applicant also claim that the Respondent's registered trade mark MOREO's is visually and phonetically similar to its earlier registration OREO.*

*76. In the Opposition case relating to trade mark application no. 1111/2017 MOREO's, I did find that the word MOREO's dominates the visual impression created by that trade mark and that the only noticeable difference between the marks MOREO's and OREO are the letter's 'M' and 's' at the beginning and ending of the Applicant's MOREO's mark and that these differences are not sufficient to exclude a finding of visual similarity. I also found that the presence of additional letters 'M' at the beginning and 's' at the end of the MOREO's are unlikely to offset the phonetic similarity to an average degree.*

**J20**



77. *In this matter, I have not the slightest hesitation in confirming the visual and phonetic similarities between the Applicant's registered trade mark OREO and the Respondent's registered trade mark MOREO's more especially that the Applicant's trade mark and the Respondent's impugned trade mark are both word marks.*
78. *I also did find in the opposition proceedings that the Respondent's trade mark application no. 1111/2017 MOREO's was confusingly similar to the Applicant's trade mark registrations no. 57/74 OREO in class 30 and no. 1/2007 OREO in the same class.*
79. *However, I must point out that in the opposition matter, my assessment was based on section 16 as read with section 17 of the Act. In the present case, my focus is exclusively on section 16 of the Act in view of the protection afforded to the Respondent's registered mark by section 18."*

4.24 I have already held in Grounds 2 and 3 above that the Registrar ought to have construed s.16 together with s.17 of the then **Trade Marks Act**.

4.25 Therefore, the cases of ***Berlei (UK) Ltd v Bali Brassier Co. Inc.***<sup>(13)</sup>; ***British Sugar Plc. v James Robertson & Sons Ltd.***<sup>(14)</sup>; ***Sadas SA v OHMI-LTJ Diffusion (Arthur et Felicie)***<sup>(15)</sup>; ***Sabel v Puma AG***<sup>(16)</sup>; and ***Rysta Ltd Application***<sup>(17)</sup> as properly applied by the Registrar in assessing the new MOREO'S trade mark in the objection ruling (see p.57-69 of record of appeal, paras. 67-104) were applicable to assessing the existing MOREO'S trade mark before the Registrar in the expungement application.

4.26 The glaring visual and phonetic similarity between OREO and MOREO'S as well as the registration in the same part of the register (Part A) for similar goods for human consumption, as correctly interrogated by the Registrar cannot be without consequence.

4.27 It follows that, the outcome of the expungement ruling ought to have been the same as that of the objection ruling since the two are identical word marks (namely No.1111/2017 MOREO'S and No.599/2007 MOREO'S), with the difference being the goods to which they apply.

4.28 Ground 4 of the appeal therefore succeeds.

#### **Grounds 5 and 6**

4.29 The success of the preceding grounds 2-4 has a direct bearing on the outcome of these two grounds.

4.30 I say so because, given:

- (i) that the OREO trade mark was registered in Zambia about 33 years prior to the existing MOREO'S (1974 vs 2007, see p.93-105 and 171 of record of appeal, respectively); and
- (ii) that the two are confusingly similar both visually and phonetically (as per finding of the Registrar appearing at p.30-31 of record of appeal, paras.75-79);

I have no hesitation in holding that it would be wrongful (in terms of s.16 and 17 of the then **Trade Marks Act**) for the existing MOREO'S trade mark to remain registered in Zambia.

4.31 The outcome of this appeal against the expungement ruling pre-determines the appeal against the objection ruling. This is because the annulment of the existing MOREO'S trade mark (No.599/2007) on the same reasoning leaves its offshoot new trade mark (No.111/2017) with no legal foundation.

## 5. CONCLUSION AND ORDERS


- 5.1 The appeal against the expungement ruling having succeeded, this Court doth order that the register of trade marks be rectified by removal of the MOREO'S trade mark therein registered in part A, class 30 and numbered 599/2007.
- 5.2 Consequent to that, the appeal against the objection ruling is hereby dismissed.
- 5.3 Costs of litigation are a matter of discretion for the Court in terms of Order 40 Rule 6 of the **High Court Rules**.<sup>(1)</sup>
- 5.4 As for the guidance in the exercise of that discretion, I heed the Supreme Court's judgment in **Afrope Zambia Limited v Anthony Chate & Ors**<sup>(1B)</sup>, where Wood, JS aptly stated:

*"It is a settled principle of law that a successful party will not normally be deprived of his costs unless there is something in the nature of the claim or in the conduct of the party which makes it improper for him to be granted costs."*

5.5 In the case before Court, IGBL has emerged victorious and there is nothing in the nature of the consolidated appeal or the conduct of IGBL that militates against a costs order in its favour.

5.6 Accordingly, Zayaan IL shall bear the costs of IGBL of this consolidated appeal, to be taxed in default of agreement.

Dated this 30th day of January 2024

  
**K. CHENDA**  
Judge of the High Court