REPUBLIC OF KENYA

KENYA INDUSTRIAL PROPERTY INSTITUTE

IN THE MATTER OF THE TRADE MARKS ACT AND
IN THE MATTER OF TRADE MARK APPLICATION NOS.
KE/T/2009/66624 "WALI BASMATI RICE"
KE/T/2009/66625 "ROUZ BASMATI RICE"
KE/T/2009/66626 "PILAU BASMATI RICE"
KE/T/2009/66627 "NAWAB BASMATI RICE"
KE/T/2009/66628 "RAJAH BASMATI RICE"
KE/T/2009/66629 "AL-HANNAN BASMATI RICE"
IN THE NAME OF KRISH COMMODITIES LTD AND OPPOSITION THERETO BY
THE AGRICULTURAL AND PROCESSED FOOD PRODUCTS EXPORTS DEVELOPMENT AUTHORITY (APEDA)

RULING

INTRODUCTION

This is an opposition matter filed by the Agricultural and Processed Food Products Export Development Authority (hereinafter referred to as APEDA or the opponent) against the registration of trade mark application numbers KE/T/2009/0066624 - 66629 WALI BASMATI RICE, ROUZ BASMATI RICE, PILAU BASMATI RICE, NAWAB BASMATI RICE, RAJAH BASMATI RICE and AL-HANNAN BASMATI RICE respectively (all word marks), in the name of the applicant, Krish Commodities Ltd.

PROCEDURAL HISTORY

On 13 October 2009, the applicant herein, Krish Commodities, Ltd., filed six applications for the registration of the following marks:

TMA No. 66624 was for WALI BASMATI RICE (word) in class 30 for "Wali Basmati Rice". The application stated that the use of the words "Wali", "Basmati" and "Rice" each separately and apart from the mark as a whole was disclaimed.

TMA No. 66625 was for ROUZ BASMATI RICE (word) in class 30 for "Rouz Basmati Rice". The application stated that the use of the words "Rouz", "Basmati" and "Rice" each separately and apart from the mark as a whole was disclaimed.

TMA No. 66626 was for PILAU BASMATI RICE (word) in class 30 for "Pilau Basmati Rice". The application stated that the use of the words "Pilau", "Basmati" and "Rice" each separately and apart from the mark as a whole was disclaimed.

TMA No. 66627 was for NAWAB BASMATI RICE (word) in class 30 for "Nawab Basmati Rice". The application stated that the use of the words "Nawab", "Basmati" and "Rice" each separately and apart from the mark as a whole was disclaimed.

TMA No. 66628 was for RAJAH BASMATI RICE (word) in class 30 for "Rajah Basmati Rice". The application stated that the use of the words "Raja" (sic), "Basmati" and "Rice" each separately and apart from the mark as a whole was disclaimed.

TMA No. 66629 was for AL-HANNAN BASMATI RICE (word) in class 30 for "Al-Hannan Basmati Rice". The application stated that the use of the words "Al-Hannan", "Basmati" and "Rice" each separately and apart from the mark as a whole was disclaimed.

The applications were duly examined and, by letters dated 4 November 2009, approved for advertisement. Subsequently the applications were advertised in the Industrial Property Journal of 30 November 2009.

On 22 January 2010, an application was received from Simba & Simba, Advocates seeking an extension of time to file opposition in order to allow their client, APEDA, adequate time to compile its notice of opposition. An extension of time to 29 April 2010 was consequently granted.

On 30 April 2010, a notice of opposition dated 28 April 2010 was filed at the Registry. The grounds on which the opposition was based were, *inter alia*, that BASMATI was a geographical indication that specifically denoted "a special and unique aromatic long grain rice grown and produced in a specific region of the Indian sub-continent, at the foothills of the Himalayas and falling in India and Pakistan", that the applicant had sought to benefit from the substantial reputation and goodwill built up in connection with the name BASMATI, that the offending mark was in all respects identical to the name BASMATI which was a geographical indication that the opponent had been promoting and securing protection worldwide, that the applicant had no claim in law or equity to own or use the offending mark, that the proposed registration was meant to deceive the public into believing that

the applicant had proprietary rights over the word and name BASMATI or to cause confusion in the minds of the public as to the origin of the goods, and that the application was likely to impair, interfere with or take unfair advantage of the distinctive nature of the geographic indication BASMATI.

On14 June 2010, the applicant filed a notice of appointment of agent together with its counter statement to the notice of opposition. In the counter statement, the applicant stated, *inter alia*, that it denied that the opponent was a statutory body vested with the responsibility of representing the interests of persons involved in the growing and export of various agricultural products including BASMATI rice, that the opponent was not the owner of the mark as desired to be registered and was not entitled to oppose the application, that it had agreed to disclaim the use of the word BASMATI and was not claiming any exclusivity to the word, that the word BASMATI was a common everyday word in the food and rice trade, that the word BASMATI did not refer to any geographical area, and that the applicant did not claim that the word was its invention. The counter statement also stated that the applicant was intending to apply for security of costs in light of the fact that the opponent was a foreign body with no visible means or assets within Kenya.

Thereafter on 8 July 2010, the applicant duly filed a notice of motion seeking that the opponent furnish security for costs on the grounds that the opponent had no tangible assets within the country from which costs could be recovered in the event that costs were awarded to the applicant. The application was heard and by a ruling dated 1 November 2010, the Assistant Registrar of Trade Marks ordered that the opponent provide to the applicant a sum of KSh. 150,000/- for each of the opposition proceedings, being the security for costs.

On 14 December 2010, a Bank Guarantee and Indemnity from the Development Bank of Kenya in favour of the Registrar to the extent of KSh. 900,000/-, was filed with the Institute.

On 5 November 2010, the opponent filed its statutory declaration sworn on its behalf by Asit Kumar Tripathy, the chairman of the opponent. In the declaration, the deponent averred, *inter alia*, that the APEDA Act, 1985 vested the opponent with the responsibility of developing and promoting exports of certain agricultural products including BASMATI rice, that the name BASMATI was derived from the Sanskrit roots 'Vas' and 'mati' meaning 'aroma' and 'ingrained from the origin' respectively, that the name had been used to refer

to rice growing on the foothills of the Himalayas, that BASMATI rice had unique characteristics attributable to the agro-climatic conditions prevailing in the growing region as well as the method of harvesting and processing employed by the farmers in the region, and that the unique qualities of BASMATI had caused it to form part of Indian exports to numerous countries including Kenya. The opponent further stated that it had pursued the protection and enforcement of all the rights in the BASMATI name and product on behalf of all the legitimate stakeholders in over 40 countries, that it had 'lodged an Application to register BASMATI as a geographical indication in India so as to further protect the name', that it had taken active steps against unauthorized and illegal attempts to interfere with the name BASMATI, and that it had successfully opposed applications for registration by third parties of the name BASMATI in various jurisdictions, including in Kenya.

For these reasons, the opponent prayed that the applications be refused and costs awarded to it.

Attached to the statutory declaration were a number of exhibits comprising:

Exhibit AKT1 - a copy of the APEDA Act, 1985 and APEDA (Amendment) Act, 2009;

Exhibit AKT2 - a copy of a geographical map purportedly showing the G I area for BASMATI rice cultivation in India;

Exhibit AKT3 - a copy of a "Detailed Product Export Report" showing quantity in kilograms and value in rupees of Basmati rice exports from India between 2006 and 2009;

Exhibit AKT4 - a copy of a table purportedly showing a summary of actions initiated by the opponent to protect the name BASMATI;

Exhibit AKT5 - copies of decisions from Australia (delegate of the Registrar of Trade Marks), Brazil (translation), Chile (translation), Colombia (untranslated), Indonesia, Portugal, and Spain;

Exhibit AKT6 - a copy of a letter dated 3 September 2008 to the National Cereals and Produce Board signed by the Assistant Registrar of Trade Marks informing the former that because they had not set the expungement proceedings regarding TMA No. 54001 down for hearing by the required date, the mark NAFAKA BASMATI PISHORI was expunged from the Register;

Exhibit AKT7 - copies of packaging for various brands of BASMATI rice and extracts from various websites; and

Exhibit AKT8 - copies of extracts from dictionaries and food encyclopaedias.

On 28 January 2011, the applicant filed a statutory declaration sworn by its Chairman, Ashok Shah, in reply. In the declaration, the applicant averred, *inter alia*, that the objector had no *locus standi* and as such the opposition ought to be struck out, that the objector could not claim sole use of the word BASMATI as a number of Kenyan rice producers had used it for some time without any objection from the objector, that the word BASMATI as far as Kenya was concerned was not limited to rice produced in India only, that the applicant had registered the trademark KOHINOOR BASMATI in 2007 and in 2006 had registered the trade mark SUNRICE BASMATI RICE, that the use of the word BASMATI in Kenya and elsewhere showed that the opponent had no exclusive right to the use of the word, and that the applicant had been importing BASMATI RICE from Pakistan with no objection from any of the exporters. The applicant also denied that the rice for which the objector appeared to act emanated from a district known as BASMATI. For these reasons, the applicant prayed that the opposition be dismissed with costs.

Annexed to the statutory declaration were a number of exhibits comprising:

Exhibit AS1 - a letter dated 12 January 2011 signed by a Mr. Munene Muriithi, the General Manager of Mwea Rice Growers Multipurpose Co-op Society Ltd. addressed to the attention of a Mr. Chriss (sic) on the subject 'Basmati/Pishori Rice Production in Kenya';

Exhibit AS2 - an extract from the Industrial Property Journal No. 2007/09 showing the advertisement for KOHINOOR BASMATI RICE;

Exhibit AS3 - a letter dated 21 November 2007 from Kinoti and Kibe Co. Advocates to the applicant on 'Trademark No. Ke/T/2007/061541 Kohinoor Basmati Rice';

Exhibit AS4 - a copy of the Trade mark registration certificate no. 61541 for KOHINOOR BASMATI RICE;

Exhibit AS5 - a copy of the Trade mark registration certificate no. 56547 for Sunrice BASMATI RICE;

Exhibit AS6 - a copy of packaging material for Tilda legendary rice - Pure Original Basmati;

Exhibit AS7 - a copy of packaging material for TROPHY BASMATI RICE;

Exhibit AS8 - a copy of an undated, unaddressed letter signed by a Nazim Hussain, the Chief Executive of Alfarid Corporation regarding the six applications in question;

Exhibit AS9 - a copy of a Membership Certificate of the Rice Exporters Association of Pakistan for M/S Garibsons (Pvt) Ltd;

Exhibit AS10 - a letter dated 5 January 2011 signed by an unnamed Director of Garibsons (Pvt) Ltd confirming that they export basmati rice to the applicant;

On 27 April 2011, the opponent filed its statutory declaration in reply sworn by Asit Kumar Tripathy, its Chairman. In the declaration, the deponent averred, *inter alia*, that the APEDA Act vested the opponent with the responsibility of promoting and developing exports of certain agricultural products including BASMATI rice. It further denied that it had not previously objected to the use of the word BASMATI in Kenya and clarified that it was not claiming rights to the sole use of the word BASMATI but was "acting for the collective benefit of all the legitimate stakeholders of Basmati rice". The opponent also denied not having taken steps to protect the name BASMATI and stated that it reserved the right to institute expungement proceedings against the KOHINOOR and SUNRICE marks.

Before the case could be heard, the applicant filed a notice of motion on 27 October 2011 seeking leave to file further evidence in the form of a further Statutory declaration. The statutory declaration dated 25 October 2011 and sworn by Ashok Shah deponed, *inter alia*, that it had just come to the applicant's notice that the Ministry of Agriculture had sanctioned the release of new rice varieties, two of which were BASMATI rice varieties. Attached to the declaration was a copy of a letter dated 1 July 2011 signed by Dr. Wilson Songa, the Agriculture Secretary, addressed to the Managing Director of the NIB on the 'Launch of the National Seed Policy'. Attached to the letter was a list of the varieties of seeds that would be released.

The application to adduce further evidence was allowed and the statutory declaration forwarded to the opponent with a request for it to file a reply.

On 30 November 2011, the opponent filed its reply in which it stated, *inter alia*, that nowhere in the letter was the name Basmati referred to but that it was only in an additional paper filed as an annexture to the letter that the reference to the two varieties was found. In the absence of a reference to an annexture in the letter, the opponent stated that the veracity and authenticity of the additional document was suspicious, hence it ought to be rejected. Moreover, the opponent averred that in any event the letter did not establish any reputation or public association with Kenya as a Basmati growing nation and as such products alleged to be produced in Kenya could not be called Basmati.

The matter was thereafter set down for hearing which the parties agreed would proceed by

way of written submissions.

THE OPPONENT'S SUBMISSIONS

In its written submissions, the opponent stated that it wished to prosecute its application relying upon its entire Notice of Opposition with emphasis on the grounds that the word BASMATI was a geographical indication incapable of being protected as the applicant's trade mark, that the applicant was not the owner of the word BASMATI, that the opponent had *locus standi* to take action in the matter and that the opponent had previously taken action against persons who had tried to register the word BASMATI as their trade mark.

The issues that it identified for determination were, firstly, whether the opponent was suited, secondly, whether the opponent had an interest in the trade mark BASMATI, thirdly, whether the applicant's applications should stand and lastly, whether the disclaimer of the word BASMATI changed the registration status of the application.

With regard to the issue of BASMATI being a geographical indication, the opponent referred to the original meaning of the word BASMATI and the geographical area of the Basmati rice growing region to support its contention that BASMATI was a geographical indication. It further contended that geographical indications were protected worldwide through treaties such as the Paris Convention for the Protection of Industrial Property, the Lisbon Agreement for the Protection of Appellations of Origin and their International Registration, the TRIPS Agreement and the East African Community Common Market Protocol. Based on these provisions, it argued that it was important for Kenya to send out a strong message on the protection of geographical indications including BASMATI.

On the issue of whether the applicant was the owner of the word BASMATI, the opponent referred to sections 2(1) and 20(1) of the Trade Marks Act and argued that it was important for any person making a claim to be a proprietor of a trade mark to show the proprietorship of the trade mark. In this instance, it argued that there were no proprietary rights derived by the applicant from a geographic indication and that the applicant was not entitled under section 20(1) to apply for registration thereof.

On the question of *locus standi*, the opponent averred that it had been given a statutory mandate to enforce the rights of BASMATI as a geographic indication by the Agricultural and Processed Food Products Export Development Authority Act. It also referred to section 21(2), Trade Marks Act which provides for 'any person' to give notice to the Registrar of

opposition to the registration and argued that this meant that there were no specific qualifications as to who may oppose trade marks that have been advertised.
With regard to the question of the opponent having taken similar actions before, the opponent referred to evidence annexed to its statutory declaration showing the action it had taken throughout the world to protect BASMATI. In Kenya, it referred to an action that it had taken regarding the registration of the mark NAFAKA BASMATI PISHORI.
Lastly, with regard to the applicant acting deceptively, the opponent submitted that the applicant had the intent to deceive the public that they have proprietary rights over BASMATI. The opponent noted that the applicant had indicated the class of goods applied for as being BASMATI RICE, which in its opinion was "curious". It submitted further that this was an issue that could not be cured by a disclaimer requirement.
For these reasons, the opponent prayed that the applications be disallowed and for "the Registrar to award costs to the Applicant"(sic).

APPLICANT'S SUBMISSIONS

In reply, the applicant started by submitting that the opponent was not the owner of the mark BASMATI and hence had no status to file the opposition proceedings. It submitted further that the registered owner of the mark in India would have had a better case to put up but that even such a registered owner would not have had a right to oppose the mark in Kenya.
With regard to the accrual of rights referred to in the Notice of Opposition, the applicant argued that the notice did not state in whose favour the rights accrued and that under Kenyan law rights had to accrue in favour of a specific party.
On the issue of the opponent having established rights on geographical indications in different countries, the applicant posited that India might have a treaty of reciprocity with those countries with the right being backed up by statute or convention between the two countries.
On the issue of the opponent having authority to take action from the owners of the mark in India, the applicant submitted that the government of India was not the owner of the mark and thus had no status or authority to oppose the application. Further, the applicant submitted that its application was not to register the mark BASMATI on its own but for the registration of different marks consisting of a combination of words. In all the applications,

it had agreed to disclaim the use of the word BASMATI and had not claimed any exclusivity to the word.

The applicant further submitted that there was no geographic area known as BASMATI and that even though the opponent claimed that BASMATI rice was grown in both India and Pakistan, there was no opposition to its applications from Pakistan. In fact, the applicant referred to a letter from the export body in Pakistan saying that they did not oppose the application.

The applicant submitted that in order to determine whether or not BASMATI was recognised or registered in Kenya as a geographical indication, one had to consider the law of geographical indications in Kenya and in this regard, referred to section 40A(5) of the Trade Marks Act. It continued that BASMATI had not been registered in Kenya and that registration of trade marks and collective marks was territorial and that since the opponent had not registered BASMATI, there were no rights conferred on it in respect of the mark.

The applicant also submitted that India was not one of the countries with which Kenya had a mutual recognition agreement under section 65 as read with Legal Notices 134 of 1975 and 37 of 1967. It also submitted that under the WTO TRIPS Agreement, there was no provision for mutual and reciprocal recognition of protection and enforcement of geographical indications thus Kenya was under no obligation to recognise, protect or enforce India's geographical indications.

Other points that the applicant submitted needed to be included were that the opponent had stated in its statutory declaration that it represented all legitimate producers but no act of representation or agency had been displayed, that reference had been made to BASMATI being grown in both India and Pakistan yet the corresponding authority in Pakistan had stated that it had no objection to the application proceedings, that the opponent had been aware as far back as 2007 that the applicant had been registering the mark KOHINOOR BASMATI RICE but no Notice of Opposition had ever been filed against it and that rice under the name BASMATI was being marketed by various companies in Nairobi as well as by the Mwea Rice Co-operative Society Ltd.

The applicant concluded by submitting that the opponent not having objected to the various companies using the mark freely nor to the registration of the mark KOHINOOR BASMATI RICE, the opponent was now estopped from doing so due to the doctrine of laches. For the above reasons, the applicant prayed that the opposition to the six applications be

dismissed with costs to the applicant.

THE OPPONENT'S SUBMISSIONS IN REPLY

In reply to the applicant's submissions, the opponent reiterated that under section 21(2), Trade Marks Act it had the capacity to oppose the applications and that it was vested with the responsibility of representing stakeholders involved in the growing, processing and export of agricultural products, including BASMATI rice. In this capacity it acted collectively for listed stakeholders such as farmers, millers and exporters.

Further, the opponent submitted that Kenyan law did not exist in isolation as Kenya was a party to the TRIPS Agreement which provided a legal framework for protection of geographical indications. Moreover, under the Constitution, the general rules of international law and any treaties or conventions ratified by Kenya formed a part of the laws of Kenya.

With regard to the issue of rights accruing in favour of a specific party, the opponent submitted that this was not in issue as it had clearly stated that it was a statutory body representing the interests of individuals and companies in India involved in the growing, processing and export of BASMATI rice.

On the issue of the context within which Kenyan law exists internationally, the opponent reiterated that Kenyan law does not exist in isolation and that Kenya was a member of the WTO and as such, a party to the TRIPS Agreement. It argued that it was only by enforcing and respecting geographical indications that the country would not put itself at risk of not progressing with others.

With regard to the applicant's denial that the opponent had the authority to take action from the owners of the mark in India, the opponent submitted that it had shown that there were statutory instruments giving the opponent power and mandate to take the action they had taken and thus there was no need for a power of attorney to have been filed on behalf of the producers and stakeholders.

On the applicant's reliance on a letter from a Pakistani exporter, the opponent submitted that the applicant had not provided the circumstances under which the letter was issued nor was it clear that the Pakistani exporter was aware of the goods in respect of which the trade marks in question stand for.

With regard to the applicant's submissions on sections 5, 6 and 40A, Trade Marks Act, the

opponent submitted, *inter alia*, that the onus was on the applicant to prove why the name BASMATI should be used by them in their trade mark applications and that since the opponent had not made a claim under rule 47(2), Trade Marks Rules, it was pointless for the applicant to insist on the register of collective marks.

Regarding the disclaimer, the opponent submitted that the applicant had classified its class of goods as BASMATI RICE and that this issue was not cured by a disclaimer. Moreover, similar applications had been rejected in Indonesia and Chile.

On the issue of laches, the opponent submitted that it was on record that the opponent had taken expungement proceedings against the registration of the trade mark KOHINOOR BASMATI RICE and that it was not correct to say that the opponent had not taken objection to the registration as claimed.

For these reasons, the opponent submitted that it had established that BASMATI was a geographical indication that should not be appropriated as a trade mark and implored the Registrar to disallow the applications.

ISSUES TO BE DETERMINED

The opponent herein opposes the registration of the applicant's trade marks on the grounds that the word BASMATI is a geographical indication and hence should not be appropriated by the applicant as a trade mark.

The applicant, on the other hand, submits that the opponent is not the owner of the mark BASMATI and that, in any event, the applications do not claim any exclusivity in the word BASMATI.

Having carefully read through all the pleadings, evidence, submissions and the authorities filed in support, I have identified the key issues to be determined in this opposition to be the following:

- Does the opponent have the *locus standi* to bring the oppositions?
- What is the legal position regarding the ownership of the mark BASMATI in Kenya?
- What is the status of the word BASMATI under Kenyan law?
- Is the opponent guilty of laches in bringing this opposition?

1. *Locus Standi*

This issue was raised by the applicant who argued that the opponent, not being the owner

of the mark, had no status or authority to oppose the mark. The opponent, on the other hand, relied on the mandate given to it by the Agricultural and Processed Food Products Export Development Authority Act of India and the provisions of section 21(2), Trade Marks Act.

The relevant legal provision is to be found in section 21(2), Trade Marks Act, which provides that

> Any person may, within the prescribed time from the date of the advertisement of an application, give notice to the Registrar of opposition to the registration.

This provision is liberal and does not contain any restrictions regarding persons who may file oppositions against applications for registration. All that is required is for the notice to be in writing and to include a statement of the grounds of opposition. Both of those requirements have been met in this instance.

I therefore hold that the opponent has *locus standi* under section 21(2) to file the opposition.

2. Ownership of the word BASMATI

This issue was raised by both parties with the opponent contending, firstly, that the applicant had no claim in law or equity to own or use the word BASMATI and, secondly, that its application was intended to deceive the public into believing that it had proprietary rights over the word BASMATI. The applicant, on the other hand, argued that it was not claiming exclusivity to the word BASMATI, which was the reason why it had agreed to disclaim exclusive use of the word, and that in any case, the opponent itself could not establish its ownership of the mark. In this regard, the applicant submitted that under Kenyan law, rights had to accrue to a specific party and that the opponent's Notice of Opposition had not specified in whose favour the rights to the name accrued.

The relevant provisions of law are to be found in sections 20(1) and 17, Trade Marks Act. Section 20(1) provides that 'A person claiming to be the proprietor of a trade mark used or proposed to be used by him who is desirous of registering it shall apply in writing to the Registrar in the prescribed manner for registration ...'

Section 17, which deals with disclaimers, provides, *inter alia*, that

> If a trade mark -

(a) ..., or
(b) contains matter common to the trade or to the provision of services of that description or otherwise of a non-distinctive character,

The Registrar or the court, in deciding whether the trade mark shall be entered or shall remain on the register, may require, as a condition of its being on the register

i) that the proprietor shall disclaim any right to the exclusive use of any part of the trade mark, or to the exclusive use of all or any portion of any such matter, to the exclusive use of which the tribunal holds him not to be entitled; or

ii) that the proprietor shall make such other disclaimer as the tribunal may consider necessary for the purpose of defining his rights under the registration:

Provided that no disclaimer on the register shall affect any rights of the proprietor of a trade mark except such as arise out of the registration of the trade mark in respect of which the disclaimer is made.

In this instance, by the act of filing applications for the six trade marks, the applicant is claiming proprietorship of the six marks. However, in each instance, the applicant has also agreed to various disclaimers including over the use of the words BASMATI and RICE. It is therefore clear that while in each case, the applicant is claiming exclusivity for the combination of words found in each application, it is disavowing exclusivity with regard to the use of the component words. There is therefore, in my opinion, no support for the opponent's allegation that the applicant intends to deceive the public into believing that it has proprietary rights over the word and name BASMATI.

With regard to the applicant's allegation that the opponent is not the owner of the mark BASMATI, a close reading of the documents filed by the opponent shows that its claim is based on its status as a statutory body established in India for purposes of representing the interests of various stakeholders involved in the growing, processing and export of various agricultural products including BASMATI rice. As part of these activities, it claims a responsibility to promote and to enforce the rights accruing in the name BASMATI. It is instructive to note that nowhere does the opponent actually make a claim to ownership of the name nor is there any evidence adduced as to whom ownership of the name belongs. In fact, in paragraph 12 of its Statutory Declaration dated 1 November 2010, the opponent stated that it had lodged an application to register BASMATI as a geographical indication in India, implying that as of the date of filing the opposition, BASMATI was not formally and legally registered as a geographical indication in India.

With regard to this issue, I therefore find that the applicant does not claim ownership of

the word BASMATI nor does it make any claim to the exclusive use thereof. I also find that the opponent's averments regarding its duties and responsibilities under the APEDA Act, 1985 do not vest ownership of the name BASMATI in it in this jurisdiction. As for the current position and status under Indian law, I will refrain from offering an opinion. However, as discussed above, this lack of ownership of the mark does not deprive it of locus to file these oppositions.

3. Status of the word BASMATI under Kenyan law

This is the key issue to be determined with regard to this opposition. The opponent argued that the word BASMATI was a geographical indication, which it was mandated to protect under Indian law, and thus incapable of registration as a trade mark. In support of this contention, the opponent submitted that one only needed to look at the linguistic origin of the word which was derived from two Sanskrit roots.

Secondly, the opponent submitted that geographical indications were protected under various international treaties to which Kenya was a party and that it was only by enforcing and respecting geographical indications that the country would not be at risk of not progressing with others.

The applicant, on the other hand, argued that the word BASMATI was a common every day word in the food and rice trade. In addition, it submitted that under Kenyan law, geographical indications were eligible for protection as collective marks and, in this instance, there was no evidence to support the existence of BASMATI having been registered as such.

In order to determine this issue, various provisions of law, both domestic and international need to be examined. I start by looking at the international position. Kenya's status as a party to the TRIPS Agreement is not in doubt, having been a member of the WTO from its inception on 1 January 1995.

The relevant provisions of the Agreement are Articles 22 - 24, to which the opponent referred. They provide as follows:

> 22(1). Geographical indications are, for the purposes of this Agreement, indications which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin.
> (2) In respect of geographical indications, Members shall provide the legal means for interested parties to prevent:

(a) the use of any means in the designation or presentation of a good that indicates or suggests that the good in question originates in a geographical area other than the true place of origin in a manner which misleads the public as to the geographical origin of the goods;
(b) any use which constitutes an act of unfair competition within the meaning of Article 10bis of the Paris Convention (1967).

(3) A Member shall, *ex officio* if its legislation so permits or at the request of an interested party refuse or invalidate the registration of a trademark which contains or consists of a geographical indication with respect to goods not originating in the territory indicated, if use of the indication in the trademark for such goods in that Member is of such a nature as to mislead the public as to the true place of origin.

4) The protection under paragraphs 1, 2 and 3 shall be applicable against a geographical indication which, although literally true as to the territory, region or locality in which the goods originate, falsely represents to the public that the goods originate in another territory.

23. ... [This Article sets out Additional Protection for Geographical Indications for Wines and Spirits and is thus not relevant here.]

24. ... [This Article sets out the framework for carrying out negotiations aimed at increasing the protection for individual geographical indications and is also thus not relevant in this instance.]

Article 22(1) therefore provides a definition of the term 'geographical indication' for the purposes of the TRIPS Agreement whereas Articles 22(2) and (3) provide for the obligations of Member States. Member States are at liberty to determine the manner in which these treaty obligations are implemented. In Kenya, this duty was discharged by the enactment of section 40A, Trade Marks Act, in 2002. This provision states *inter alia* as follows:

1) A mark capable of distinguishing, in the course of trade, the goods or services of persons who are members of an association, from goods or services of persons who are not members of such association, shall on application in the prescribed manner, be registrable as a collective trade mark or service mark in respect of goods or services in the name of such an association.
...

5) Geographical names or other indications of geographical origin may be registered as collective trade marks or service marks.

In this instance, it is clear that there is a dispute as to whether or not BASMATI is a geographical indication. This dispute is complicated by the fact that the region to which

the alleged geographical indication relates is located in a foreign country, India. The territorial nature of intellectual property protection is therefore an issue that needs to be borne in mind.

In support of its contention that the word BASMATI was a geographical indication, the opponent adduced several exhibits. To rebut this contention, the applicant tendered exhibits showing the use of the word in Kenya by various companies for their brands of rice. Given the territorial nature of intellectual property rights, I do not find the exhibits tendered by the opponent to be sufficiently persuasive.

Thus, whereas it may be the case that in India, and the other countries where the opponent stated that it has successfully taken action, the word BASMATI enjoys recognition as a geographical indication, its status in Kenya must be determined pursuant to Kenyan law. As earlier stated, the Trade Marks Act in section 40A(5) provides for the registration of geographical names as collective trade marks. Where a geographical name or indication or origin has been so registered then it enjoys *prima facie* recognition as a geographical indication. APEDA has not taken any steps to have the word BASMATI so registered. This is not to say that registration is mandatory for recognition; the Act uses the word 'may', implying that a geographical indication could theoretically be recognised and enforced without registration.

In this instance, I am therefore in agreement with the applicant that under Kenyan law the word BASMATI is not a mark of a kind whose registration is prohibited by reason of its being a protected geographical indication. I accordingly find that registration of the marks is permissible.

4. Laches

On this issue, the applicant argued that because the opponent had not objected to the registration of other marks bearing the name BASMATI, it was guilty of laches with regard to this opposition. The opponent contested this allegation, submitting that it had taken successfully taken actions that had resulted in the prevention of the registration of the word BASMATI in other jurisdictions as well as in Kenya, where it referred to TM No. 54001 NAFAKA BASMATI RICE.

The doctrine of laches is an equitable doctrine that is based on the maxim "Equity aids the vigilant and not the indolent" thus if a party unreasonably delays in asserting its claim to

the detriment of the defendant, then that party will be denied the remedy it seeks.
With regard to this issue, I am in agreement with the arguments made by the opponent. Under our trade marks laws, the opponent had sixty days within which to file opposition to these applications, which it did. The opposition is then to be determined on its merits regardless of whether or not other oppositions have been made. The status of the KOHINOOR BASMATI RICE trade mark is not in issue here.
I therefore hold that the opponent has not been guilty of laches in bringing this opposition.

5. Specification of Goods

As noted in the introduction to this ruling, in all six of the applicant's applications, the marks applied for and the specification of the goods in class 30 for which the marks were applied, were identical. This is a point that was noted by the opponent who submitted that this was irregular.
The relevant provisions of law are found in section 6(1), Trade Marks Act, which provides that 'A trade mark shall be registered in respect of particular goods or services, which shall be classified in the manner specified in subsection (2)' and rule 19(1) of the Trade Marks Rules which states that 'Where the name or description of any goods or the name or description of any services appears on a trade mark the Registrar may refuse to register such mark in respect of any goods or services, as the case may be, other than the goods or services so named or described.'
Whereas I have found above that the word BASMATI is not a geographical indication whose registration as a mark is prohibited, it is clear from the submissions of both parties that the word BASMATI can not be used to describe just any variety of rice. It would therefore be misleading to consumers for the classification of goods in class 30 to simply read RICE as this would allow the applicant to use its marks for any variety of rice. The word BASMATI must therefore remain in the specification.
However, as the opponent correctly submitted, it is irregular for the trade mark applied for and the specification of the goods to mirror each other. The applicant should have been advised to remove what can best be described as the distinctive element of the trade mark from the specification. Thus, for example, with regard to TMA No. 66624, the word WALI should have been removed from the specification.
I therefore direct that for the six applications, TMA Nos. 66624 - 66629, the words WALI,

ROUZ, PILAU, NAWAB, RAJAH and AL-HANNAN respectively be removed from the specification of goods in class 30, meaning that the specification should simply read "BASMATI RICE".

Before I conclude, I should note that I read the decisions submitted by the opponent but found them to be of limited value in determining this opposition due to the differing legal frameworks subsisting in those jurisdictions as well as the differing trade mark applications that were the subject of opposition.

DECISION

For the reasons set out above, the Registrar finds as follows:

1. That the opponent has the *locus standi* to bring these oppositions;
2. That whereas the applicant does not claim exclusive rights to the use of the word BASMATI, the opponent has not established any proprietary rights to the word such as would enable it to prevent its registration as a mark by any other party;
3. That the opponent has not established that under Kenyan law the word BASMATI is a mark whose registration is prohibited by reason of its being a geographical indication;
4. The opponent has not been guilty of laches;
5. The specification of goods in the respective applications is irregular and should be amended in all six applications to "BASMATI RICE"; and
6. Costs are awarded to the applicant.

The opponent has the right to appeal against this decision within sixty days from the date hereof.

Ruling dated and delivered at Nairobi this 17th day of May 2013

.....

DR. HENRY KIBET MUTAI

REGISTRAR OF TRADE MARKS