

Playing the fame card in the Middle East and Africa

Protection for famous marks in the Middle East and Africa depends to an extent on national laws, but a growing body of case law in this area provides much-needed guidance for rights holders

The most valuable and famous trademarks span both the globe and a wide range of industries. The cream of the crop include GOOGLE, MICROSOFT, COLGATE, NESTLÉ, MCDONALD’S, WALMART, IBM, VODAFONE, GE, APPLE, PEPSI and AT&T. These marks are extremely valuable assets that companies will go to great lengths to protect.

Brands tend to be valued based on their earnings over the past years and their relevance within their particular industries, in addition to their presence in various markets. Standards of fame vary and are not always clearly defined in national laws and regulations. Therefore, the question of how to determine fame and to what extent famous marks can be protected is a local one.

Generally speaking, enforceability of famous marks is determined by the extent to which all trademarks are protected. Penalties for infringement are seldom specific to the infringement of famous marks, but rather are common to all cases of infringement. Penalties vary from country to country and may include fines, imprisonment and the confiscation and destruction of goods.

National laws

Most countries in the Middle East and Africa – with the exception of Lebanon and Iran – have clearly applicable statutory provisions in their national laws to protect famous marks. In addition, membership of the Paris Convention has helped significantly when it comes to litigation, as demonstrated by the number of ground-breaking court decisions which have been heard over the last few years.

A mark that is identical to a well-known mark shall not be accepted for registration. Well-known trademarks shall qualify for protection even if they are not registered.

Further, all countries in the region are either members or observers of the World Trade Organisation (except for Syria), which extends to the Agreement on Trade-Related Aspects of Intellectual Property (TRIPs). Part II of TRIPs addresses each IP right in succession. Article

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| Country | Provisions on famous marks | Law |
|---------|---|----------------|
| Algeria | <p>Articles 7 to 9</p> <p>The following may not be registered:</p> <ul style="list-style-type: none"> • Symbols similar or identical to a mark or a trade name well-known in Algeria that have been used for similar or identical goods belonging to another institution to the extent that causes confusion between both of them, or symbols which are a translation of another mark or trade name. • The owner of a well-known mark in Algeria shall have the right to prevent others from using his mark without permission in accordance with the terms provided for in Article 7 above. | Law 03-06/2003 |
| Bahrain | <p>Chapter VI, Article 28</p> <p>Article 28</p> <p>(1) Any interested party shall be entitled to request the competent authority to prohibit the use of any mark which constitutes a reproduction, an imitation or a translation of a well-known mark or an essential part thereof, according to the cases provided for in Article(3), Sections (L,M and N) of this law.</p> <p>(2) The owner of a well-known mark shall not be required to register it in the kingdom in order to enjoy the protection prescribed for such mark.</p> <p>(3) Notwithstanding the provisions of Article 6 of this law, every interested party may request the competent court to cancel any mark which constitutes a reproduction, an imitation or a translation of a well-known mark or an essential part thereof within seven years from the registration date. If the registration was made in bad faith, it may be requested to cancel the registration or prohibit the use of the mark at any time.</p> | Law 11/2006 |

16(3) of TRIPs states that in relation to registered marks, Article 6bis of the Paris Convention should apply to non-similar goods or services, provided that use of the later mark indicates a connection to the owner of the well-known mark and the interests of this owner are likely to be damaged. However, there are no clear regulations or case law specifically on the prerequisites for claiming protection under Article 6bis.

One important aspect that should be taken into consideration when addressing the concept of famous marks in the Middle East and Africa is the principle of first to file versus first to use. As almost all countries in the Middle East and Africa are civil law countries (meaning that the code typically exhaustively covers the complete system of the law), the concept of first to file is given considerable weight (some countries may offer a limited number of common law rights, but this is a matter solely determined by the practitioner handling the case). That said, it is highly recommended that all marks, even famous marks, be registered. Countries in the Middle East and Africa do not allow a rights holder to apply for a declaration that its mark is famous. Mere registration can be used as a basis on which to sue an infringer, although the risks of a non-use cancellation action must be factored into any filing strategy. However, the situation is quite different from that in the United States, where a non-use cancellation action is similar to an opposition action. In most countries, non-use cancellation actions must be brought before the local courts, which can greatly increase the time, costs and unpredictability of such proceedings.

What qualifies as a famous mark?

Although it is impossible to precisely define a famous mark, examples of famous marks in the Middle East and Africa include PEPSI, COLGATE, NESTLÉ and MCDONALD'S. The extent to which a trademark is considered famous is usually determined according to the international standards for the protection of well-known trademarks (Article 6bis of the Paris Convention), as well as the local standards for well-known trademark protection. Any probative evidence will be accepted and a determination will be based on all of the evidence, including such factors as:

- the duration and geographic extent of sales;
- sales figures;
- advertising figures and samples of advertising;
- awards, reviews and press reports;
- the reputation of the mark within relevant trade and consumer groups in the country; and
- expert testimony and surveys designed to assess the recognition of brand names.

Dilution

Unlike in the United States, countries in the Middle East and Africa have no express anti-dilution provisions in their trademark laws or elsewhere. Nevertheless, many countries have introduced provisions into their trademark laws on the likelihood of confusion between conflicting marks as part of their implementation of TRIPs. In principle, the reference to certain provisions of the laws on the likelihood of confusion should provide a basis for actions in cases of dilution.

| Country | Provisions on famous marks | Law |
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| Egypt | Article 68 The owner of a well-known trademark, worldwide and in Egypt, shall have the right to enjoy the protection conferred by this law even if the mark is not registered in Egypt. The Trade Registry Department shall, <i>ex officio</i> , reject any application to register a mark that is identical to a well-known mark and that is intended for products which are identical to those of the well-known mark, unless the application is submitted by the owner of the well-known mark. The preceding provision shall apply to applications intended for products which are not identical with those of the well-known mark. Where the well-known mark is registered in a member state of the World Trade Organisation and in Egypt, and where the use of the mark in relation to those non-identical products is intended to make people believe that there is a connection between the owner of the well-known mark and those products, and that such a use may be prejudicial to the interests of the owner of the well-known mark. | Law 82/2002 |
| Iran | N/A | -- |
| Iraq | Article 13(2) The owner of a well-known trademark shall have the right to enjoy protection for this mark, even if it is not registered. | Law 21/1957 |
| Jordan | Article 8(12) A trademark that is identical or similar to a well-known trademark shall not be registered | Law 34/1999 |
| Kuwait | Article 62(5) A trademark that is identical or similar to an extent that leads to confusion with another trademark or famous commercial name in the state of Kuwait or being a translation thereof in respect of goods or services that is identical or similar to the ones of another project shall not be a trademark and may not be registered in the description of a trademark. Also it is not permissible to register the trademark for goods or services whether similar or not if this is likely to lead to the belief that there is a relation between the new mark and the famous commercial name in such a way that this causes harm to the owner of the trademark. | Law 68/1980 |
| Lebanon | N/A | -- |
| Libya | Articles 1234, 1235 and 1236 Well-known trademarks in Libya shall enjoy protection even if they are not registered. | Law 23/2010 |
| Morocco | Article 162 The owner of a well-known mark within the meaning of Article 6bis of the Paris Convention for the Protection of Industrial Property may apply for the cancellation of the registration of a mark liable to lead to confusion with its own mark. Such nullity proceedings shall be prescribed five years after the registration date of the mark, unless registration was applied for in bad faith. | Law 17/1997 |
| Oman | Section 36, Article 5 A mark cannot be validly registered if it is identical with or similar to, or constitutes a translation of, a mark or trade name which is well known in Oman and the interests of the owner of the well-known mark are likely to be damaged by such use. | Law 67/2008 |

However, are these sections on likelihood of confusion enough? Some courts have reiterated that when dilution is accompanied by confusion as to the source, it will affect the goodwill, reputation and trade name established by the plaintiff.

Case law

In general, there are numerous precedents in Arab countries on how prior cases regarding infringement of famous marks have been decided. Such precedents give an indication of how the laws will be interpreted by the courts in cases involving similar circumstances.

Iraq's LAY'S banner/sun logo

The Iraqi authorities issued a favourable decision finding that LAY'S banner/sun logo was famous based on the following grounds:

- Pepsi owned a famous mark that was distinctive;
- The similarity between the defendant's mark and the famous mark gave rise to an association between them; and
- The association was likely to impair the distinctiveness of the famous mark or harm its reputation.

“ Owners must be ready to adopt a model that incorporates legal and regulatory approaches

Iran's Nestlé Nesquick Bunny

The Iranian Court of Appeal overruled a first-instance decision in favour of an Iranian-based confectionery manufacturer. The initial lawsuit was brought by Nestlé, owner of the famous RABBIT mark and accompanying device, against the defendant's applications to register similar marks in Class 30. The court deemed that there was a likelihood of association between the defendant's marks and Nestlé's well-known mark, which would cause confusion in the minds of consumers.

Conclusion

The protection of famous trademarks is a challenging process that requires special consideration and handling. Owners must be ready and able to adopt a model that incorporates both legal and regulatory approaches in order to arrive at a solid trademark protection strategy. Companies have a good chance of establishing sufficient goodwill so that their marks may be recognised as famous and enjoy protection without registration, although registration is always advised. In any case, rights holders should seek sound advice before deciding on the best route to pursue. **WTR**

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|-----------------------------|---|--------------------|
| Qatar | Article 8(7) The following shall not be registered as a trademark or as part of a trademark: signs which are confusingly identical or similar to a mark previously registered or filed by a third party for identical or similar goods or services or well-known signs even if not registered or applied for registration in Qatar irrespective of the identification or similarity of the related goods or services for which registration is sought. | Law 9/2002 |
| Saudi Arabia | Article 2(i) The following signs, emblems, flags and others shall not be considered or registered as trademarks: trademarks that are identical or similar to trademarks well known in the kingdom even if they are not registered in connection with identical or similar goods or services and trademarks that are identical or similar to trademarks well known in the kingdom and registered in connection with goods or services that are not identical or similar provided that this use causes injury to the owner of the well-known trademark. | Law M/21 |
| Syria | Chapter VI, Article 44 (a) The proprietor of the well-known trademark, globally and in Syria, even if it was not registered, is entitled to request the competent court to cancel or prevent a third party from using a trademark identical or similar to the same or form a translation to the same on similar or non-similar products or services if the use of such trademark on the non-similar products shall create a likelihood of association between the proprietor of the well-known trademark and those products, or if such use dilutes the trademark or cause damage to its proprietor or if such use creates an unjustified profit from it. (b) When determining whether the trademark is well known, the extent of fame of the trademark among the concerned public in Syria shall be taken into consideration. | Law 8/2007 |
| Tunisia | Article 24 If the use of a well-known mark causes harm to another mark, the owner shall be held responsible. | Law 36/2001 |
| United Arab Emirates | Article 4 (1) Trademarks with an international reputation, which goes beyond the borders of the original country in which the mark was used, shall not be registered, unless so requested by its original owner or by an official power of attorney from the original owner. (2) The degree of knowledge or recognition of the mark in the relevant sector of the public is essential when it comes to determining how famous the trademark is. (3) A famous trademark may not be registered to distinguish goods/services not identical to those distinguished by these marks if: (a) Use of the mark implies a connection between the goods/services to be protected and the goods/services of the owner of the original trademark. (b) Use of the mark may result in damaging the interest of the owner of the original trademark. | Law 8/2002 |
| Yemen | Articles 5-6 A mark that is identical to a well-known mark shall not be accepted for registration. Well-known trademarks shall qualify for protection even if they are not registered. | Law 23/2010 |

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