

IN THE HIGH COURT OF TANZANIA

(COMMERCIAL DIVISION)

AT DARE ES SALAAM

COMMERCIAL CASE NO. 155 OF 2018

JC DECAUX SA.....1ST PLAINTIFF

JC DECAUX TANZANIA LIMITED.....2ND PLAINTIFF

VERSUS

JP DECAUX TANZANIA LIMITEDDEFENDANT

JUDGMENT

B.K. PHILLIP, J

The plaint reveals that the 1st Plaintiff is a family owned company established in France by Jean - Claude Decaux in the year 1964 and by its shareholding structure, the 2nd Plaintiff is wholly owned and controlled by the 1st Plaintiff. It is alleged in the plaint that sometimes in June 2015 JC Decaux South Africa Holding Proprietary Limited acquired with a South African partner, Continental Outdoor Media Holdings Proprietary Limited, a limited liability company incorporated in South Africa, which was the ultimate owner of the former Continental Outdoor Media Tanzania. The aforesaid acquisition necessitated changing the name of "Continental

Outdoor Media Tanzania" to "JC Decaux Tanzania Limited " (the 2nd plaintiff) which is the 1st Plaintiff's brand.

It is the Plaintiffs' case that the Defendant has infringed the Plaintiff's well known Trade Mark "JC Decaux" by using its name "JP Decaux Tanzania Limited" on the ground that the Defendant's company name that is , "JP Decaux Tanzania Limited" is similar to the Plaintiff's Trade Mark "JC Decaux" because there is only a difference of one letter in Defendant's company name, that is letter "C". Where there is letter "C" in the Plaintiffs' names ("JC Decaux"), the Defendant has put letter "P" (JP Decaux"). The Plaintiffs alleged that the two names ("JC Decaux" and JP Decaux") are confusingly similar. Moreover, the Plaintiffs alleged that the 1st Plaintiff has been globally using the name "JC Decaux" since 1964 and registered it as its Trade Mark in 135 countries.

Furthermore, the Plaintiffs alleged that sometimes in September , 2014 the Defendant registered a domain under the name *www.jpdecaux. Com*. The same displayed contents which were basically showing that it was competing with the 1st Plaintiff's business. Upon being aware of the aforesaid domain name, in July 2015 the 1st Plaintiff lodged a complaint at the online ADR Centre of the Czech Arbitration Court (CAC) on the

ground that the Defendant's domain name aforesaid is confusingly similar to the 1st Plaintiff's Trade Mark "JC Decaux". The complaint was decided in favour of the 1st Plaintiff.

In addition to the above the Plaintiffs alleged that in October, 2015 the 1st Plaintiff lodged complaints at the World Intellectual Property Organization (WIPO) Arbitration and Mediation Centre against one Salum Ally in respect of a domain name registered as *jpdecaux.co.tz* which featured in the defendant's website, on the ground that the same was confusingly similar to the 1st Plaintiff's Trade Mark ("JC Decaux"). That complaint was also decided in favour of the 1st Plaintiff.

Moreover, the plaintiffs alleged that through their legal counsels, they demanded the Defendant to stop using the name "JP Decaux Tanzania Limited", but in vain. Thus, in this case the Plaintiffs pray for Judgment and decree against the Defendant as follows:-

- (a) A declaratory order that the Defendant's use of the name "JP DECAUX TANZANIA LIMITED" infringes on the 1st Plaintiff's well-known mark "JC DECAUX"

- b) A permanent injunction restraining the Defendant, its agents, representatives, servants, assigns and/or any other person acting under its instructions from trading, advertising, marking and/or in any other way dealing in the name "JP DECAUX" or any other name closely resembling the Plaintiffs' names or a name including "JP DECAUX" or resembling the trademark "JC DECAUX" registered in favour of the 1st Plaintiff.
- c) A prohibition order restraining the Defendant, its agents, representatives, servants, assign and/or any other person acting under its instructions from holding itself out as an associated or affiliated company of the Plaintiff or of JCDECAUX Group;
- d) An order that an inquiry as to damages, or at the Plaintiff's option, an account be taken from the Defendant of the profits that the Defendant has made by trading under the name "JP DECAUX TANZANIA LIMITED" from the time that the Defendant was prohibited from using the domain www.jpdecaux.com up to the date of judgment, and payment of all sums found due upon taking such an inquiry or account be paid to the Plaintiffs.

- e) An order for destruction and/or delivery to the Plaintiffs or obliteration upon oath of all printed matter or labels on or for outdoor advertising materials the use of which would be a breach of the permanent injunction and prohibitory orders sought by the Plaintiffs.
- f) An order for compensation for loss of goodwill.
- g) An order for punitive and general damages.
- h) Interest at the rate of 12% per annum on the decretal amount awarded from the date of Judgment until full payment.
- i) Costs of the suit.
- j) Interest at the rate of 8% per annum being the Court's rate on the costs from the date of Judgment until full payment; and
- k) Such other reliefs as this Honourable Court may deem fit and just to grant.

On the other side, pleadings reveal that the Defendant is a limited liability private company. It was duly incorporated in Tanzania under the Companies Act, 2002, in the year 2014. It also deals with door advertising business. In its defence, the Defendant denied to have infringed the 1st

Plaintiff's Trade Mark on the ground that it was duly incorporated and registered in Tanzania by the registrar of Companies on 7th August 2014, that is prior to the registration of the 2nd Plaintiff's Trade Mark in Tanzania, since the changes of the 2nd Plaintiff's name into the current name were effected in June, 2016. The Defendant further contended that the 1st Plaintiff's Trade Mark ("JC Decaux") was registered after the Defendant was duly incorporated by the Business Registration and Licensing Agency ("BRELA") upon complying with all the legal requirements, therefore the Defendant's name is protected under the Companies Act, 2002. The Defendant did not dispute that it had registered a domain using its company name (JP Decaux) as alleged in the plaint.

At the Final Pre-trial Conference the following issues were framed for determination by the Court.

- (i) Whether the Defendant's name "JP Decaux Tanzania Limited" and words "JP decaux" infringe the plaintiff's Trade Mark "JC Decaux"
- (ii) To what reliefs are the parties entitled to.

At the hearing of this matter, the learned Advocates Thomas Sipemba and Lucas Elingae appeared for the Plaintiffs whereas the Defendant was

represented by the learned Advocate Frank Mwalongo. Both sides had one witness each. The Plaintiffs' witness was Ms. Janine Deet lefts (PW1), the 2nd Plaintiff's sales manager, whereas the Defendant's witness was Elia Richard Moshi, (DW1), the Defendant's chief executive officer.

Having said the above, let me proceed with the analysis of the evidence adduced by the witnesses and determination of the issues.

Starting with the 1st issue, that is, **whether the Defendant's name "JP Decaux Tanzania Limited" and the words "JP Decaux" infringe the Plaintiff's Trade Mark "JC Decaux"**. In her witness statement PW1, narrated the background to this matter which is basically the same to what I have stated at the beginning of this Judgment. Moreover, she stated as follows; That the 1st Plaintiff is a family owned company established in France by Jean-Claude Decaux in 1964 and is currently listed on the prime- Marche of the Euronext Paris stock exchange. Currently, the 1st plaintiff and all its subsidiaries that form the "JC DECAUX group," operate out of home or outdoor advertising in 4,033 cities in more than eighty countries, including Tanzania where it conducts its operations through the 2nd plaintiff.

PW1 tendered in court the following exhibits; certificate of incorporation of the 1st Plaintiff (Exhibit P1), certificates of registration of the Trade Mark "JC Decaux" in Tanzania in different classes of Trade Marks (Exhibit P2 collectively), Certificates of Registration of the Trade Mark "JC Decaux" in following countries; European Union, Canada, France, Australia, United Arab Emirates (Exhibit P3 collectively), Kenya, Malawi Swaziland, El-Salvador, Zimbabwe, Japan, Oman, Mongolia, Columbia, China, Mexico, Holland and Thailand (Exhibit P4 collectively) Puerto Rico, Nigeria, Zambia, Nicaragua, Panama, Peru, Myanmar, Brazil, Mauritius Dominican Republic (Exhibit P5 collectively), certificate of change of name from "Continental outdoor Media Tanzania Limited" to "JC decaux Tanzania Limited" dated 1st June, 2016 (Exhibit P7) and a publication for the celebrations of fifty (50) years anniversary "JC Decaux"(Exhibit P6).

In addition to the above, it was PW1's testimony that in 2015 the 1st plaintiff filed two complaints against the use of the name "JP Decaux". The first complaint was lodged at WIPO Arbitration and Mediation Center against one Salum Ally in respect of the domain name registered as jpdecaux.co.tz which featured in the Defendant's website. The second complaint was lodged at online ADR Centre of the Czech Arbitration Court

(CAC). It was also in respect of the use the name "JP Decaux" in the defendant's domain to wit; *www.jpdecaux.com*. Both complaints were decided in favour of the 1st plaintiff. PW1 tendered in Court the decisions in respect of both complaints, (Exhibit P8).

Moreover, PW1 tendered in court email correspondence from one of the Plaintiffs' customers concerning the confusion caused by the similarities of the names "JP Decaux" and "JC Decaux" (Exhibit P10) to substantiate that the names "JP Decaux" and "JC Decaux" are confusingly similar both phonetically and visually,

On the other hand, in his witness statement DW1 stated as follows; That the defendant was dully incorporated in Tanzania on 7th August, 2014. The 2nd defendant formerly was known as "Continental Outdoor Media Tanzania Limited". It changed its name into "JC Decaux Tanzania Limited" on 1st June 2016. The 1st plaintiff sought for the legal protection belatedly while the defendant had sought for the same earlier and upon its incorporation obtained it . Thus, if there is any confusion the use of the names "JP Decaux" and "JC Decaux", then the 2nd plaintiff who sought legal protection belatedly should be de-registered.

In addition to the above, it was DW1's testimony that since the Defendants' name has four words that is, "JP Decaux Tanzania Limited" , then it can be allowed to use the first two words which are "JP Decaux" or alternately use three words only that is "JP Decaux Tanzania". DW1 tendered in court the certificate of incorporation of the Defendant (exhibit D1).

At this Juncture let me point out the following facts which were revealed in the evidence adduced during the hearing and were not disputed.

(i) That the applications for registration of the 1st Plaintiff's Trade Mark ("JC Decaux) in different classes in Tanzania were lodged in December, 2014 and the certificates of registration of the same were issued in 2015.

(ii) That the Defendant's Company was duly incorporated under the Companies Act, 2002 in August, 2014.

(iv) The Plaintiffs and Defendant deal with outdoor advertisement business.

In their closing submission, the learned Advocates are in agreement that according to section 31 of the Trade and Service Marks Act, (Henceforth

'Trade Marks Act") once a Trade Mark is registered becomes protected against any infringement. Similarly, it is a common ground that acts that amount to Trade Mark infringements are as defined in section 32 of the Trade Marks Act. For ease of reference and understanding the coming discussion, let me reproduce hereunder the provisions of sections 31 and 32(1) of the Trade Marks Act .

Section 31. Exclusive right.

"Subject to the provisions of this Act and any limitations or conditions entered in the register, the registration of a trade or service mark, if valid, give or is deemed to have given to the registered proprietor the exclusive right to the use of a trade or service mark in relation to any goods including sale importation and offer for sale or importation".

Section 32(1) Infringement

(1) The exclusive right referred to in section 31 shall be deemed to be infringed by any person who, not being the proprietor of a trade mark or its registered user using by way of the permitted use , uses a sign either:-

(a) identical with or so nearly resembling it as to be likely to deceive or cause confusion, in the course of trade or business in relation to any goods in respect of which it is registered or in relation to any closely related goods and in such manner as to render the use of the sign likely to be either ;

(i) as being used as a trade mark or business or company name or

(ii) in a case in which the use is upon the goods or in physical relation to them, or in relation to services, or in an advertising circular or other advertisement issued to the public, as importing a reference to some person having the right either as proprietor or as a registered user to use the trade marks or to goods or services with which that person is connected in the course of business or trade; or

(b) identical with or nearly resembling it in the course of trade or business in any manner likely to impair the distinctive character or acquired reputation of the trade mark.

Before proceeding further, I think it is worthy pointing out right here that in this case, the issue of similarity of the 1st plaintiff's Trade Mark ("JC Decaux") to the Defendant's company name ("JP Decaux Tanzania Limited") is obvious and I do not need to dwell on it much. As it was correctly stated by PW1, the difference between the names "JC Decaux" and "JP Decaux" is only one letter, that is, where there is letter "C" in the former, in the later there is letter "P". Not only that the plaintiffs and the defendant are all dealing with outdoor advertisements. This makes the two names confusingly similar. This has been proved by PW1's

testimony and the email correspondences between PW1 and one of the plaintiffs' client (exhibit P10) in which the client wrote as follows:-

"Dear Janine,

As per whatsapp communication do you have brothers/sisters company JC and JP DECAUX. On 23^d of August, 2018 – I received a guest at the reception looking for me to pitch Digital Screens by the looks of things the name was similar so I thought you hired free lancers or an agent or you have a brother/sister company.

I was surprised why you never sold me this screens before.

To later find that you are not related as per the telephone conversation we had asking you if you gus are brothers.

Thanks for letting me know you were not related, as I thought you were just like GSM they have lots of free lancers GSM Outdoor, GSM Media, GSM Mall etc.

Have a great weekend."

In fact, while responding to questions posed unto him during cross examination, DW1, admitted that the defendant's and the 2nd plaintiff's names are similar, though he claimed that they are not confusingly similar. He contended that the similarity of those names happened by coincidence. DW1 also, admitted that he was aware of the existence of JC Decaux (the 1st plaintiff's Trade Mark).

In his final submission Mr. Mwalongo contended that the defendant cannot be held liable for infringement of the 1st Plaintiff's Trade Mark ("JC Decaux") because at the time of its incorporation, the 1st plaintiff had not yet registered its Trade Mark in Tanzania. On the other hand Mr. Elingae submitted that the 1st Plaintiff's Trade Mark "JC Decaux" had been registered in many countries prior to its registration in Tanzania. He contended that the 1st plaintiff is known worldwide as a number one outdoor advertising company and has been into existence way back in 1964, prior to the incorporation of the defendant's company in Tanzania. He insisted that the defendant has infringed the 1st plaintiff's Trade Mark. Moreover, Mr. Elingae submitted that the Trade Mark "JC Decaux" originates from the family name of the founder of the company Mr. Jean Claude Decaux.

Now, back to the facts and evidence adduced in this case. It is not in dispute that, the Defendant's company was incorporated in Tanzania prior to the registration of the 1st Plaintiff's Trade Mark in Tanzania, though the same was registered in other countries. PW1 tendered in Court twenty eight (28) certificates of registration of the Trade Mark "JC Decaux" in different countries, (Exhibits P3,P4 and P5 collectively). This shows that the

Trade Mark "JC Decaux" has been in use in many countries. Thus, the evidence adduced by PW1, proves the Trade Mark " JC Decaux" is well known worldwide since prior to its registration in Tanzania it had been registered in different countries located in different continents. No wonder, during the hearing no evidence was adduced by the defendant to challenge the plaintiffs' allegation that the Trade Mark "JC Decaux" is known worldwide.

Now, the pertinent question which arises from the evidence adduced is; does the registration of the Trade Mark " JC Decaux" in other countries give any protection to the said Trade Mark against any infringement in Tanzania? Strictly speaking, in my considered opinion the protection of the 1st Plaintiff's Trade Mark obtained upon registration of the same in other countries does not extend to Tanzania. The registration of a Trade Mark in a certain country confers protection in respect of that particular country. This explains the reason behind registration of a Trade Mark in different countries. Otherwise there would be no need of registering a Trade Marks in more than one country.

However, without prejudice to what I have stated hereinabove, in my considered opinion, legally, it is not correct for a person to register a

Trade Mark or business/company name confusingly similar to a widely used and known Trade Mark ,with well established goodwill in its business/trade while aware of the existence of the same, simply because that Trade Mark is not registered in his/her country. It has to be noted that Trade Marks goes together with investment in terms of goodwill in a particular business.

In this case, DW1 admitted that at the time registration of the defendant's company he was aware of the existence of the 1st Plaintiff's Trade Mark and business. Surprisingly, he decided to register a company with a name confusingly similar to the 1st plaintiff's well known Trade Mark for a business which is similar to the one conducted by the 1st plaintiff. Not only that, the evidence adduced has revealed that JC Decaux, is not only known worldwide, but also it bears the a family name of its founder, Mr. Jean- Claude Decaux. This is proved by Exhibit P6, the documentary of 50th Anniversary of JC Decaux which contains the details on the background of the Trade Mark JC Decaux. This fact was not challenged in anyway by the defendant's witness (DW1). In fact the defendant failed to give any justification and/or sufficient explanation on why he decided to use the name "JP Decaux" whereas the name "Decaux" is someone's family

name and was aware of the business conducted by JC Decaux. Moreover, the decision made by WIPO Arbitration and Mediation Center and online ADR Centre of the Czech Arbitration Court (CAC) - (exhibit P 8), show that indeed the JC Decaux is worldwide known as a number one outdoor advertisement Company.

Looking at the facts of this case and the evidence adduced by both PW1 and DW1, I decline to agree with DW1 that the similarity of the defendant's name to the 1st plaintiff's Trade Mark as well as the type business conducted by the 1st plaintiff is just a coincidence. In my opinion the evidence adduced indicates that the same was done by design for a purpose of obtaining some advantage over the goodwill established by the 1st Plaintiff in outdoor advertisement business.

I find the case of **Logistics Limited and Two others Vs Agility Logistics Kenya Limited Civil Case No. 840 of 2010 High Court of Kenya (Mlimani Commercial and Admiral Division (2012) ekLR** cited by Mr. Elingae, very persuasive as it has similar facts to the case in hand. In that case the court held as follows:-

"The upshot of the foregoing analysis is that in the present matter, the protection provided to the name "Agility" by the trademark

registered in favour of the Plaintiffs by far overrides the protection of the name "Agility Logistics" secured through the mere registration of the name as a company. The exclusivity in the use of the name that is conferred upon the Plaintiff through the Kenyan registration of the mark and worldwide by virtue of the status of "well known mark" confers locus standi upon the Plaintiffs to sustain a claim for infringement of the mark the Defendant cannot equally enjoy by virtue of registration of the company under the Companies Act."

Similarly, in the case in hand, the fact that the Trade Mark " JC Decaux " is worldwide known as I have elaborated herein above and that the defendant was well aware of the existence of the said Trade Mark before the defendant's company was incorporated in Tanzania, the protection obtained by the registration of the 1st plaintiff's Trade Mark in Tanzania by far overrides the protection obtained by the defendant by mere registration under the companies Act,2002, notwithstanding the fact that the defendant's company was incorporated prior to the registration of the 1st Plaintiff's Trade Mark in Tanzania. From the foregoing the first issue is answered in the affirmative.

Coming to the reliefs the parties are entitled to, since I have already made a finding that the defendant's name (JP Decaux Tanzania Limited) is confusingly similar to the 1st Plaintiff's Trade Mark "JC Decaux", I hereby

enter judgment against the defendant as follows; That the defendant's use of the name "JP Decaux Tanzania Limited" infringes the 1st plaintiff's well known Trade Mark "JC Decaux". The defendant, its agents, representatives, servants assignees and/or other person acting under instructions are hereby permanently restrained from trading, advertising marketing and/or in any other way dealing in the name of "JP Decaux" or any other name closely resembling the 1st Plaintiff's name/Trade Mark "JC Decaux". The Defendant is hereby ordered to destruct all printed matters and/ or labels on or for outdoor advertising materials the use of which would lead to the infringement of the 1st plaintiff's Trade Mark "JC Decaux" or breach of the court order issued herein.

As regards the Plaintiff's prayer for an order that an inquiry as to damages, or at the plaintiff's option an account be taken from the defendant of the profit that the defendant has made by trading under the name " JP Decaux Tanzania Limited" from the time the defendant was prohibited from using the domain www.jpdecaux.co.tz up to the date of judgment, I find the same to be untenable. This Court cannot act as an executing court in respect of the orders that were issued by WIPO Arbitration and Mediation Center or the online ADR Centre of the Czech Arbitration Court (CAC). This

Judgment is the 1st one in respect of the controversy pertaining to the use of the defendant's company name (JP Decaux Tanzania Limited). Thus, under the circumstances, there is no basis for this court to grant the order for inquiry on the profits obtained by the defendant by trading under its company name registered by the registrar of companies from the time the it was prohibited from using the domain www.jpdecaux.co.tz as prayed by the plaintiffs.

In addition to the above, to my understanding the copies of the decision made by WIPO Arbitration and Mediation Center and the online ADR Centre of the Czech Arbitration Court (CAC), (Exhibit P8) in respect of the use of the domain jpdecaux.com/www.jpdecaux.co.tz were brought in court to prove that the Trade Mark "JC Decaux" belongs to the 1st plaintiff and the use of the company name "JP Decaux Tanzania Limited " leads to infringement of the 1st Plaintiff's Trade Mark, not for the purpose of moving this court among others things, to effect execution of the orders issue by those institutions.

As regards the prayer for payment of compensation for loss of goodwill, punitive and general damages, I find myself in agreement with Mr. Elingae that the defendant deserves to be condemned to pay punitive and

general damages which in my opinion will also cover the loss of goodwill as the defendant decided to use a company name similar to a well known worldwide Trade Mark "JC Decaux" for the outdoor business so as to obtain advantages out of the goodwill established by the 1st plaintiff. The evidence adduced by PW1 also shows that the plaintiffs suffered from damages following the defendant's infringement of the Trade Mark as it had to incur costs and spent time, and energy to deal with the said Trade Mark infringement. It is also evident that among the damages suffered by the plaintiffs is loss of goodwill. Therefore, I hereby order that the defendant shall pay the plaintiffs a sum of Tshs. 3,000,000/= and Tshs. 20,000,000/= being punitive and general damages respectively. The costs of this case shall be borne by the defendant.

Dated at Dar es Salaam on this 4th day of February, 2021.




B.K.PHILLIP

JUDGE