

NO NEED OF PROVING ACTUAL CONFUSION IN TRADEMARK INFRINGEMENT: A LESSON IN PIPI KIFUA CASE.

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INTRODUCTION

The High Court of the United Republic of Tanzania on 30/05/2022 derived its judgment on a Commercial Case No. 132 of 2018 between Kenafric Industries Limited vs. Lakairo Industries Group Co. Ltd & 3 others. In the case, the court has discussed and emphasized on two key principle of trademark protection in Tanzania.

In this case the issue was:-

- i. Whether the defendant infringed on the plaintiff's trademark rights;
- ii. Whether the defendant passed off any of the plaintiff's goods
- iii. Whether there existed a distributorship agreement between the parties
- iv. Whether the plaintiff suffered damages and to what extent and
- v. To what reliefs are the parties entitled.

Facts Premised to this Case

It is the Plaintiff's (Kenafric Industries Limited) case that the defendants (Lakairo Industries Group Co. Ltd, Lakairo Investment Co. Ltd, Lameck Okambo Airo, Registrar of Trade and Service Marks and Attorney General) have infringed his intellectual property rights. Investment Co. Ltd and Lameck Okambo have passed off the products in respect of which he has registered marks. The Plaintiff adds further that they have infringed the proprietary trademarks in respect in respect of the same products.

On the other hand, the plaintiff claims a complaint to the Registrar of Trade and Service Marks and Attorney General for the registration of the trademark that infringes his trademark as far as the protection of intellectual property

is concerned. Henceforth, calls for a legal proceeding to be instituted against them.

The intellectual properties in question here is: The plaintiff's trademarks Pipi Kifua, Special Veve and Orange Drops against the defendants' trademark Lakairo's Super Veve, Lakairo Pipi Kifua and Ki Orange Drops.

Court's Judgement

After reviewing parties' arguments and adduced evidences, the court arrived to a conclusion in favor of the plaintiff.

The court held the defendants' acts to constitute the infringement of trademark rights of the plaintiff for the defendants' goods bearing the name Ki Orange Drops, Ki Pipi Kifua and Ki Special Veve. The court was not satisfied with the defendants' reply and defenses.

In return the defendants (1st, 2nd and 3rd) were ordered to:-

- i. cease and desist from infringing upon the Plaintiff's trademarks and passing off the goods;-
- ii. withdraw from the market and destroy on oath, the existing products, packages, advertisements and branding materials in the names of "Pipi Kifua" "Special Veve" and "Orange Drops";
- iii. pay general damages of Tanzania Shillings Two Hundred Million (TZS 200,000,000/-) to the Plaintiff,
- iv. pay the Plaintiff, an interest of 7% per annum on the decretal sum from the date of judgment to the date of payment in full and
- v. pay the cost of the suit.

The Fourth Defendant, the Registrar of Trade and Service Marks was ordered and directed to expunge from the Register of Defendants' 1, 2 and 3 Trademarks, Trademark No. TZ/T/2017/1407 Special Veve and Trademark No. TZ/T/2018/1616 LAKAIRO Pipi Kifua, all in Class 30.

Emphasized issues and trademark principles

i. Passing Off and the Three Part Test.

The defendants involved themselves selling products in way of representing themselves as if they are the plaintiff. As a result, the plaintiff business is affected. Adding to that the defendants were selling products that are of low quality, something which damages the image or reputation of the plaintiff in the market.

As bringing this to conclusion and resolution, the court attempt to determine whether the plaintiff's allegations or complaints are affirmative. The court here employed and referred to the **Three-part test**. That is to determine whether the three elements can be proved in favour of the plaintiff's complaints or otherwise. The court proved the elements existence of goodwill; the deception of the public due to a misrepresentation; and actual or potential damage to the plaintiff. Henceforth, the defendants was held liable for passing off.

ii. The principle of confusion of trade marks

The court was in consideration of the writing, Mellor J, Kerly's Law of Trade Marks and Trade Names, 15th Ed, Sweet & Maxwell, 2011. The writing is of the view that, in the issue of confusion of trademarks the court is to determine whether there is likelihood of confusion. Stressing that, it is not necessary for the claimant to prove actual confusion at all. Where, in respect to this the court did a determination on whether there is likelihood of confusion. The court observed and came into conclusion, that there is confusion. The court supported its observation with the case of SABUNI DETERGENTS LIMITED VS. MURZAH OIL MILLS LIMITED, Commercial Case No. 256 of 2001, High Court of Tanzania (Commercial Division) at Dar es Salaam (Unreported).

iii. distributorship agreement

The court has brought forward a key factor for distributorship agreement. The court stated that, for there to be a distributorship agreement an evidence is to be proved if one is claiming there is a distributorship agreement. The court added that, a mere business relationship between

parties cannot constitute a distributorship agreement in the absence of express agreement.

iv. Suffered damages

In this case the plaintiff claimed specific damages that amounts TZS 3,971,392,942. The court in respect to this, made a clarification in the suffered damages principle. That is, in instances which specific damages are claimed the claiming for specific damages is ought to bring forward evidences that support for his specific damages claims. That is to mean, failure to do so specific damages claimed will not be awarded.

About the Author.

Mkama Magoti Kalebu is the Managing Partner at ENDO & Co. Advocates. He is an advocate of the High Court of Tanzania, Notary Public and Commissioner for Oaths. He is an Advocate of the High court of Zanzibar; Member of The Pan African Lawyers Union (PALU) and a Member of the East Africa Law Society Intellectual Property Committee.

Mkama hold a Master of Intellectual Property from the University of Dar es Salaam. He leads the Intellectual Property, Technology & Media, Telecommunications and Data Protection Practices team at ENDO & Company. He handles both contentious and non-contentious matters in the areas of Corporate & intellectual property ("IP"), media, information technology ("IT"), data protection and telecommunications law, and has extensive experience working on regulatory, transactional, enforcement and advisory projects in these areas, counting among his clients' multinational companies, listed corporations and government regulators.

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