IN THE HIGH COURT OF TANZANIA (COMMERCIAL DIVISION) <u>AT DAR ES SALAAM</u>

MISC COM. CAUSE NO. 26 OF 2005

DISTRIBUTION AFRICA LIMITED......APPELLANT VERSUS REGISTRAR OF TRADE AND

SERVICE MARKS......RESPONDENT

Counsel: Mrs. Rwebangira for Appellant Registrar – for the Respondent

Date of last submission - 30 MAY, 2006 Date of Judgment - 9 JUNE, 2006

<u>JUDGMENT</u>

Dr. BWANA, J:

- This appeal was filed before this Court on 19 August 2005 following a Ruling by the Registrar of Trade and Service Marks ("the Registrar"). The following facts leading to this appeal are not controverted.
- The Appellant filed an application for registration of a mark CHIN CHIN (word and device) on 11 December 2003. This was in class
 and in respect of **TOMATO PASTE**. On 8 January 2004 the

- 3. Registrar accepted the application. That was followed by advertisement of the said application in the Trade and Service Journal on 15 January 2004. Three months later, in a subsequent issue of the Journal, the Appellant learnt that another trademark No.QTM 000772 in class 30 and dated 21 July 2003, in the name of CHIN CHEN (word), had been accepted by the Registrar and advertised.
- 4. Following the above sequence of events, on 14 June 2004, the Appellant received a letter from the Registrar informing him, of the withdraw of the acceptance of its application. The reason advanced for such a move is said to be its similarity to an earlier application No. QTM 000772 CHIN CHEN (word). On the 8 July 2004, the Appellant objected to that decision (of withdrawing the acceptance of its application) and requested to be heard, as provided under the law. Later the Appellant requested for a hearing, pursuant to Regulation 28 of the Trade and Service Marks Regulations, 2000 (the Regulations) and section 60 of the Trade and Service Marks Act No. 12 of 1986 (the Act). The Appellant was heard and on 21 June 2005, the Registrar delivered her ruling wherein she declined to review her earlier decision refusing registration of the Appellant's mark. Hence this appeal.
- 5. The Appellant has raised 13 grounds of Appeal namely -
- 5.1. That the Registrar erred in law and in fact by refusing to register the trade mark CHIN CHIN (word and device) in the name of the Appellant.

- 5.2. That the Registrar erred in law and in fact by finding that there being two pending applications of (sic) different seeking registration, there was no legal requirement to subject the parties to either settlement by agreement or by the Court before proceeding to refuse the Appellant's application in favour of the other mark.
- 5.3. That the Registrar erred in fact and in law by finding that the other mark had priority over the appellant's mark while the same had not been registered and therefore not deemed to have priority.
- 5.4. The Registrar erred in law and in fact by requiring the appellant to amend its mark while it is already in the market as applied.
- 5.5. That the Registrar erred in law and in fact by not finding that the appellant's mark acquired priority over the other mark by virtue of prior advertisement and therefore becoming an impending registration.
- 5.6. That the Registrar erred in law and in fact by withdrawing her acceptance after advertisements while the other did not oppose the appellant's application.
- 5.7. That the Registrar erred in law and in fact by refusing to register the appellant's mark after accepting the same in the absence of opposition.
- 5.8. That the Registrar erred in law and in fact by finding that the two marks in question are similar.

- 5.9. That the Registrar erred in law by refusing to register the appellant's mark despite the fact that the same mark is in use in the market in the same geographical area of her jurisdiction while that of the other is not in use in the jurisdiction and not requiring parties to adduce evidence on this issue despite the appellant's complaint to that effect.
- 5.10. That the Registrar erred in law and in fact by refusing the appellant's mark while its mark was advertised before that of the other party and no opposition was entered by the applicants of the other mark.
- 5.11. The Registrar erred in law and in fact by not finding that the appellant's mark had acquired priority by virtue of prior use in the market and being in the process of registration in another convention country.
- 5.12. The Registrar erred in law by finding that the offending mark CHINCHEN (word)presented by STAR IMPORT AND EXPORT LTD acquired priority merely by being the first to be filed, in total contravention and/or misconception of the spirit of section 27 (2) (a) of the Trade and Service Marks Act, 1986.
- 5.13. The Registrar erred in law and in fact by not finding that considering the fact that the (sic)'s mark was in use and therefore entitled to continue being in use and that it was in the public interest to register the (sic) 's mark.

- 6. Both parties argued this appeal by way of written submissions. I must however, note at the outset that the 13 grounds of appeal are mainly repetitive of one another. Conveniently they should have been presented/raised in the following manner:-
- (a) Grounds 3, 4 and 5 together
- (b) Grounds 6, 7 and 10 together
- (c) Grounds 9, 11, 12 and 13 together.

I also do note that both parties have relied extensively on authoritative literature of distinguished authors and decisions of persuasive courts elsewhere. I commend them for their efforts. I am however minded always by the words of Vanniasinkam, Ag. C. J., in the Mauritius Case of Loizeau, exparte, (1936 – 1955) SLR No.31 thus:

" I think it is correct to state that where there is express provisions in our statute book one is bound to follow those provisions rather than embark on a voyage of discovery into the realms of the laws of England or France.."

And that "statute book" is The Trade and Service Marks Act No. 12 of 1986" ("the Act").

7. The immediate issue for determination is – why did the Registrar at first accept the appellant's application, process it and only then turn around and withdraw her acceptance? Although the Appellant submits that in so doing, the Registrar erred both in law and in fact, I differ with such views. It is my considered view that the Registrar has powers to rectify errors that were not apparent while the application was filed or being processed. This seems to be the spirit behind the provisions of section 28 (1) (b) of the Act. The Registrar is under obligation to stop the entire process once an error is discovered. He can then proceed to cancel the process. Section 16 (1) of the Act clearly states that a trade or service mark shall be registered if it is <u>distinctive</u>. Distinctivity is well defined under section 16 (2) of the said Act. Therefore where the question of distinctivity arises between two trade or service marks, it is my considered view, the Registrar must stop the process of registration and clear the issue or else any registration so carried out, is invalid. This seems to be the law as provided under section 19 (d) and 20 (1) of the Act. The said provisions state:

" .**19**.

It is hereby declared that the following cannot be validly registered for the purpose of this Act –

(d) trade or service marks which constitute reproductions in whole or in part, imitations... transcriptions, liable to create confusion of trade or service marks and business or company names which are well known in the country....."

Section 20 (1) further states: "Subject to the provisions of subsection (2) trade and service mark cannot be validly registered in respect of any goods or services if it is identical with a trade or service mark belonging to a different propriator and already on the register in respect of the same goods or services closely related goods and services or that so nearly resembles such a trade or service mark as to be likely to deceive or cause confusion"

The issues of distinctivity and priority seem to have been addressed by the Registrar in her Ruling (a subject matter of this appeal).

8. I will now address the issue as to whether the Registrar erred in law and in fact in arriving at the conclusions now being appealed against. First, is the issue of priority. It is not in dispute that the Appellant filed his application on 11 December 2003 for registration of a mark known as "chin chin" in class 29 in respect of tomato paste. Consequent thereto, the Registrar was informed of an existence of another mark known as "Chin chen" in class 30, also being of tomato paste. The discovery of such existence is not unusual in the world of business. It is common, as admitted by The world Intellectual Property Organisation (WIPO) in its reading materials (WIPO No.489, Geneva, 1998):

> "With even the most thorough examination system the State cannot guarantee the rights it grants are valid, there is always possibility of that a prior right has been overlooked or specification misunderstood. Many systems are not particularly rigorous, which makes it all the more likely that rights might be granted in conflict with earlier rights".

This seems to have been the case in the instant case. Upon discovery of the conflict, the Registrar considered it and made her finding. On the issue of priority, it is not in dispute that the chin chen mark had been filed on 21 July 2003 and was accorded application number QTM 000772 which was subsequently published on 15 March 2004. The Appellant had filed his application, as stated earlier, on 11 December 2003. Therefore on the question of priority, it is obvious that the Appellant did not have priority over the other applicant. Therefore the Registrar was correct in so holding. Hence grounds 1, 2, 3, 5, 11 and 12 of the Appeal fail.

- 9. From the proceedings a quo, it is also apparent that the Registrar took such steps not because there was opposition filed against the Appellant's application but because there was an error discovered in respect of distinctivity of the two marks. As stated earlier the Registrar had the authority and was right in taking the steps she took. It is also clear from the proceedings a quo that the Appellant was advised either to amend his application or withdraw it. He opted for none of the two. Instead, he preferred this appeal. The Registrar ruled otherwise. She cannot be said to have erred as ground 4 alleges.
- 10. It is also apparent that given the close similarities of the two marks, including the single product nature (tomato paste), the market and the visual as well as the phonetical aspects, the Registrar could not either impose special conditions (as provided under the Act) or simply proceed to hold that the two marks were not similar. Having closely considered her views on this aspect, I do concur with the same. Therefore grounds 6, 7, 8 and 10 fail.

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10.The remaining grounds of appeal do not need take much of the Court's time. The Registrar could not have registered the mark simply because it was in use in the market in the same geographical area to wit: Uganda. The record speaks for itself. The Appellant was given an opportunity to prove that the mark was in use in Uganda. That proof was not forthcoming. Instead, the Registrar was informed that "it was in the final stages of registration in Uganda". " Final stages of registration" is not equal to registration. So the Registrar was, in my view, right in declining to accept that reasoning. Therefore grounds 9 and 13 also fail.

11. In conclusion, this appeal fails in its entirety. It is dismissed with costs.

Dr. S.J. Bwana **JUDGE** 9/6/2006

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