## IN THE HIGH COURT OF TANZANIA (COMMERCIAL DIVISION) AT DAR ES SALAAM

#### **COMMERCIAL CASE NO. 73 OF 2002**

GLAXO GROUP LIMITED	PLAINTIFF/APPLICANT
VERSUS	
AGRI – VET LIMITED	DEFENDANT/RESPONDENT

## RULING

### KALEGEYA, J:

Pending hearing of the main suit, the Plaintiff/Applicants, vide their chamber summons, front prayers for orders as follows:

"(a) An injunction to restrain the Respondent by its officers, servants or agents or any of them, from infringing the Applicant's Registered Trade Mark "COFTA" by ceasing forthwith from manufacturing, importing, selling and/or distributing cough and cold tablets not being products of the Applicant but bearing a get — up similar or so closely similar to that used by the Applicant or any other marks and get up by which the products of the Applicant are known and identified, pending determination of the main suit.

- (b) Delivery up by the Respondents to an officer of the Honourable Court all tablets, boxes, cartons or containers together with labels of advertising materials bearing a get up or any representation similar to those of the Applicant, until further orders of the Court.
- (c) Costs of this Application be provided for."

The matter has been re – assigned to me following Nsekela, J. (as he then was)'s appointment as a Justice of Appeal.

Mrs Kasonda of Mkono & Company Advocates represents the Plaintiff/Applicant while Mr. Kalolo represents the Defendant/Respondent.

The Application is supported by affidavits of one Godfrey Mugambi, a Country Manager of GSK Consumer Healthcare in Tanzania; James Thomas, a vice President and Trade Mark Counsel for Glaxo Smithkline; Nyamweru and Shoo and it is resisted with the support of a counter – affidavit of Mohamed Jaffer Gulamabbas Jusab.

The said application is pegged on a suit filed by the Plaintiff/Applicant and whose centre of controversy can briefly be discerned from the following paragraphs of the Plaint:

- "3. The Plaintiff is and has at all material times been the registered proprietors in Tanganyika and throughout the world of the trade mark COFTA and, in particular, is the proprietor in Tanganyika of the registration no. B8559 COFTA, which was registered on 16 August 1963 in class 5 in respect of anti tussive preparations. This registration is still in force and was last renewed on 16 August 1998 for a further period of ten years.
- Para 5: The Plaintiff has been using, marketing and otherwise advertising its COFTA products in its distinctive get up throughout East Africa....
- Para 6: The Plaintiff's COFTA products have been the subject of a significant marketing and advertising campaign............
- Para 7: The Plaintiff's products have been the subject of extensive promotion in all types of media including printed publications, television and radio and n view of the extensive advertising, promotion and sales of Plaintiff's products and the excellent quality of the products which have been extensively sold under its COFTA trade mark and get up, the Plaintiff has acquired, and for many years has enjoyed a

substantial reputation and valuable goodwill throughout East Africa and, in particular, Tanzania.

- Para 8: The Defendant has since October 2001 been selling and is still selling in Tanzania tablets marked "COFEX" in a get up similar to that used by the Plaintiff, the tablets are sold in packages manufactured for the Defendant by Elys Chemical Industries Ltd. The said packaging as now used by the Defendant shall be produced in the court at the hearing. ......
- Para 9: The Defendant is the registered proprietor of trademark "COFEX". Initially, the Defendant used to sell its products in packages which were quite distinct from the packages used by the Plaintiff......
- Para 10: The use by the Defendant of the get up which is similar to the Plaintiff's get up is misleading to the trading and general public by creating the belief that the Defendant's spurious goods are the Plaintiff's goods and leading the public into buying the Defendant's goods believing them to be Plaintiff's goods.

.....

- Para 11: The Plaintiff will further contend that the said mark and packaging of the Defendant's "COFEX" was designed and adopted with the sole object of enabling the products of the Defendant to be deliberately mistaken for the well known "COFTA" products of the Plaintiff.
- Para 12: By reason of the matters aforesaid, the Plaintiff has been greatly injured in its reputation and has

suffered, and continues to suffer, great loss and damage. In addition the Plaintiff stands to suffer loss of the promotion expenses pleaded in paragraph 6 if the Defendant continue to pass off its "COFEX" as the Plaintiff's "COFTA"

Para 13: The Defendant threatens and actually intends, unless restrained by an injunction, to continue the said improper and unlawful use of its imitation of the Plaintiff's get – up thereby continuing to injure and damage the Plaintiff, and to infringe the Plaintiff's registered trademark and to pass off its goods as the goods of the Plaintiff."

On the basis of the above, the Plaintiff/Applicants, in the main suit pray for:

- "(a) An injunction to restrain the Defendant, whether by itself or its officers servants or agents or any of them or otherwise, from infringing the Plaintiff's registered Trade Mark "COFTA" and/or passing off the Defendant's goods as the goods of the Plaintiff.
- (b) An injunction to restrain the Defendant, whether by its officers, servants or agents or any of them or otherwise, from manufacturing, importing, selling or offering or exposing or advertising for sale, or procuring to be sold, or passing cough and cold tablets not of the Plaintiff's manufacture or merchandise in packaging, labelling or other appearance which by reason of colourable or other resemblance to the Plaintiff's packaging or otherwise, leads to the belief that such goods are of the Plaintiff;
- (c) An order for the obliteration of any imitation of the Plaintiff's Trade Mark get up on all boxes,

packages, labels and display matter in respect of all goods of the Defendant presently in the possession, custody and/or control of the Defendant and any other like goods that may still be held or owned by the Defendant;

(d) An order for an inquiry as to damage or, at the plaintiff's option, an account of profits and payment of all sums found due upon taking such inquiry or accorded to the Plaintiff."

Equally strongly, the Defendant/Respondents, in their written statement of defence challenge what is averred in the Plaint by totally denying what is alleged therein. Let salient paragraphs therein speak for themselves:-

- "Para 5: The defendant admits to be the registered proprietor of trademark COFEX but denies that the plaintiff started using an alleged similar get up to plaintiff's earlier than the defendant...
- Para 6: In reply to paragraph 10 of the plaint the defendant denies that there is any similarity between the defendant's and plaintiff's get ups and configuration of colours on boxes and packs in which their cough tablets are packed as alleged and puts plaintiff in strict proof of its allegations.
- Para 7: The contents of paragraph 11 of the plaint are denied and the defendant avers that the defendant's packages are dissimilar with plaintiff's and are not capable of creating a mix up or mistake to consumers and the defendant puts the plaintiff into strict proof of its allegations.
- Para 8: The defendant in further reply to paragraph 11 of the plaint avers that the defendant like plaintiff has from

time to time changed its get up due to various factors to suit the market conditions which had nothing whatsoever to do with the plaintiff's trade mark, and the defendant's trademark is vividly and conspicuously different.

- Para 9: The defendant denies that it has infringed or passed off or threatens or intends to infringe onto, as or pass off the defendants goods as the goods of the plaintiff's said trade mark as alleged in paragraphs 12 and 13 of the plaint and puts the plaintiff to strict proof thereof.
- Para 10: In further reply, the defendant denies each and every allegation of the particulars of infringement and/or passing off of the defendant's goods as the goods of the plaintiff and avers that: -
  - (a) The trade mark COFTA is visually and phonetically distinctive from the defendant's trademark.
  - (b) The shape, colour, configuration, and overall design and general appearance of the defendant's trademark COFEX is individual and quite distinctive from the plaintiff's trademark "COFTA" as follows:

## The Trademark COFEX

- (i) The word COFEX is printed in between two semi circles:
- (ii) Bears on the packet the manufacturer's name, that is, Elies Chemical Industries Ltd for Agri Vet Ltd;

- (iii) Bears infront of the packet the words written in Kiswahili HUTILIZA KIKOHOZI NA MAFUA;
- (iv) The colour of COFEX tablets is golden and light brown.

#### The Trade Mark COFTA

- (i) The word COFTA is written inside a circle, and the emblem is unregistered.
- (ii) Bears on the packet the manufacturer's name of GLAXO WELCOME PRODUCT;
- (iii) Bears in front of the packet the words written in England "FOR COUGHS AND COLD".
- (iv) The colour of COETA is dark brown."

I should hastily state that the respective affidavits simply restate competing charges as reflected in the main pleadings and so are the supporting submissions by the Counsel.

The Plaintiff/Applicant's Counsel made reference to E.A. Industries Ltd vs Trufood Ltd [1972] E.A. 420; Giella vs Cassman Brown & Co. Ltd [1973] E.A. 358; Colgate Palmolive Company vs Zakaria Provision Stores & 3 others, (HC) Civil Case No. 1 of 1997; CPC International Inc. vs Zainabu Grain Millers Ltd, (CAT) Civil Appeal No. 49 of 1999; Atilio vs Mbowe [1969] HCD 284; Aktiebolaget Jokoping – Vulcanindstricksfa – Briksaktiebolag vs East

Africa Match Company Ltd [1964] E.A. 62; Tanzania Breweries Ltd vs Kibo Breweries Ltd and Kenya Breweries Ltd, (HC) Civil Case No. 34 of 1999 and Kerly's Law of Trademarks and Trade Names, 12<sup>th</sup> Ed, Sweet & Maxwell, London 1986 (Pages 344 and 445.

As for the Respondent's Counsel, apart from making reference to **Trufoods and Kibo Breweries** cases as well, also made reference to **Sapra Studio vs Tiptop Clothing Company** [1971] E.A. 498 and Valkan vs E.A. Match Co. Ltd [1964] E.A 62.

Now, for the merits.

Both Counsel are agreed as regards principles governing issuance or otherwise of a temporary injunction. These principles are well settled (Giella and Atilio cases referred to by Counsel; American Cynamid Co. vs Ethicon Ltd [1975] A.C. 396; CC 5 of 1999, Tanzania Tea Packers Ltd vs The Commissioner of Income Tax and Another).

The said principles are – first; there must be a serious triable issue between the parties with a probability that it may be decided in the applicant's favour. Secondly, the circumstances should be such that if the court does not issue the order the Applicant would suffer irreparable loss even if he subsequently succeeds in the action. Thirdly, that on a balance of convenience the Applicant stands to suffer more if the injunction is refused than what would Respondent suffer if granted.

I will start with principle one. I should outrightly observe that this is the trickiest principle among the three upon which the court has to exercise great care before making a finding. Why? As I had an occasion to observe in Commercial Case No. 5 of 1999, Tanzania Tea Packers Ltd vs The Commissioner of Income Tax and Another,

"...although Attilio case shows that there should exist a probability of Applicant's success in the main matter, in my view, this should not be interpreted to mean that the facts at hand should declare the applicant a winner. To conclude as such would be to pre – empt the trial and would militate against the basic principles of justice. It will tantamount to pre – judging parties before they are heard on the controversy. In my view therefore, what is meant is that the applicant should show that though evidence has not been given, the allegations so far made by him, prima facie portray him as having been aggrieved by the Respondent entitling him to the reliefs being sought in the main suit".

The dangers and the trick lie in the possibility of the court crossing over into the merits of the case as was exposed by the Court of Appeal in the **Zainab Case**. And, in my considered view these dangers lie very prominently in disputes involving trademarks and business names – passing off of goods and infringements.

In the **Zainabu Case**, for example, the Court of Appeal of Tanzania concluded that the High Court Judge had fell into an error of trying issues which were due for trial at a later stage of the main suit when he was dealing with an application for an interlocutory injunction because he closely examined and made findings on the issues of passing off and infringement and nature of goods when evidence was yet to be adduced. After making

reference to the three guiding principles, the Court of Appeal observed,

"In light of these principles we think that in the instant case what was expected of the learned judge is to consider whether on the facts as disclosed from the affidavits and the pleadings, a prima facie case has been shown. It would, in our view, be premature for the court to require the Appellant/Applicant to prove infringement or passing off at that stage as no evidence had been adduced. This, it would appear is what the learned judge did in this matter where in refusing to grant a temporary injunction it was held that the applicant had failed to prove either infringement or passing off. This, we are satisfied was a misdirection on the part of the learned judge"

The court then proceeded to give guidance,

"It is settled principle that in matters of passing off, a prima facie case could well be shown if upon consideration of the close similarity between the trade marks complained of was on balance such as to cause deception or confusion on the part of the customers". And, after observing that the refusal to grant a temporary injunction was based on wrong principles, the court allowed the appeal and concluded,

"An order for temporary injunction pending the final determination f the main suit is granted".

I have dwelt at length on this Court of Appeal decision to hammer home my earlier observation on the tricky elements involved in the first principle. Where do we put a demarcation – proving a prima facie case for purpose of an application for temporary injunction and actual proof of the main prayers? And, the difficult is exemplified by the detailed submission by the Plaintiff/Applicant. One going through the same cannot really point a dividing line between the two spheres. And, it is not because these experienced Counsel do not realise the difference between what is required at this stage and at the trial stage but it is simply because of a simple intriguing question,

"How do we make the partition?"

The intricacy of the matter is portrayed further in **Zainabu's** case by the Court of Appeal itself. After pointing out the misdirections and guiding principles, the Court of Appeal itself did not go into details of what was contained in the pleadings and

affidavits to point out the elements which established a prima facie case let alone showing how the other two guiding principles were met and which prompted them to grant the injunction. After providing a yardstick,

"It is settled principle that in matters of passing off, a prima facie case could well be shown if upon consideration of the close similarity between the trademarks complained of on balance such as to cause deception or confusion on the part of the customers",

one would have expected them to go further and apply the same to the facts then at their disposal. This would have assisted us a great deal in being made aware of what should be picked and left at this early stage.

I should pose here and make two observations. One, I do appreciate the energy expended by the Counsel in composing their researched submissions but, as I have already said, a substantial part of it (especially the Plaintiffs/Applicants') goes into the merits of the suit hence disregarding it at this stage is not a display of discourtesy.

Two, one may charge and say that I have digressed but I have so done purposely. My views are that in conflicts of

trademarks and business names, temporary injunctions should very sparingly be sought by parties and granted by courts because of the intricacy sorrounding the first principle of establishment of a prima facie case with probability of success. I am saying so because I fail to see how the Plaintiff/Applicant can established a prima facie case with a probability of success without going into details of what he alleges to be passing offs or infringement and in turn without the court analysing what is submitted and being satisfied of those allegations and at the sametime escape from what befell the High Court in Zainabu's case.

The above said, a focus on the respective packages of "COFTA" and "COFEX" display balancing elements of similarity and dissimilarity such that, in the absence of further evidence, it is difficult at this stage to say that the Plaintiffs/Applicants have a high probability of success. I am satisfied that the first principle has not been proved.

With this finding it becomes unnecessary to dwell on the other two principles. The application stands dismissed.

L.B. KALEGEYA
JUDGE

## Delivered

# L.B. KALEGEYA JUDGE 17/9/2003

2,901 WORDS