

**IN THE HIGH COURT OF TANZANIA  
COMMERCIAL DIVISION  
AT DAR ES SALAAM**

**COMMERCIAL CASE NO.76 OF 2005**

**BATA LIMITED CANADA.....PLAINTIFF**

**VERSUS**

**BORA INDUSTRIES LTD.....DEFENDANT**

*Date of Hearing: 22<sup>nd</sup> March & 04<sup>th</sup> June 2010; 29<sup>th</sup> July & 29<sup>th</sup> November,  
2011; 29<sup>th</sup> August & 24<sup>th</sup> & 25<sup>th</sup> October, 2012*

*Date of last Order: 07/11/2012*

*Date of Closing Submissions: 30<sup>th</sup> November, 2012*

*Date of Judgment: 05/04/2013*

**JUDGMENT**

**MAKARAMBA, J.:**

The suit the subject of this judgment was filed in this Court by **BATA LIMITED CANADA**, the Plaintiff herein, on the **25<sup>th</sup> August, 2005** against **BORA INDUSTRIES LTD**, the Defendant herein. The suit concerns claims by **BATA LIMITED CANADA** over the proprietorship of the registered trade mark "**Bata**" on slippers. **BATA LIMITED CANADA** claims that it has at all material times been the registered proprietor of the trademark "**Bata**" in Tanzania of which **BORA INDUSTRIES LTD** vehemently disputes.

The dispute started by **BATA LIMITED CANADA** filing the suit in this Court on the 25<sup>th</sup> day of August 2005, against **BORA INDUSTRIES LTD**. On the 17<sup>th</sup> November, 2006, **BATA LIMITED CANADA** filed an Amended

Plaint, seeking for the following reliefs against **BORA INDUSTRIES LTD**, namely:

- a) Perpetual Injunction to restrain the Defendant, its officers, servants or agents or any of them or otherwise from infringing, upon the Plaintiff's Registered Trade Mark No. 1684 and/or passing off the mark "Bata" (word and device).*
- b) Perpetual Injunction to restrain the Defendant whether by its officers servants, or agents or any of them, or otherwise from manufacturing, producing, selling or offering or exposing or advertising for sale or procuring to be sold or passing off sandals of Plaintiff manufacture or merchandise by labeling or other appearance which by reason of the design or other resemblance to the Plaintiff's products or otherwise leads to the belief that such goods are of the Plaintiff.*
- c) An order for the obliteration of the mark "Bora" or any other imitation of the Plaintiff's Trade Mark "Bata" in all products and displays in all goods presently in the possession of 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 upon the taking of such inquiry or accorded to the plaintiff.*
- e) General damages*
- f) Costs of the suit*
- g) Any other relief(s) as the court may deem fit and just to grant.*

According to the Amended Complaint, **BATA LIMITED CANADA** of 17<sup>th</sup> November, 2006, in September 1946, **BATA LIMITED CANADA** began to manufacture and distribute slippers under the style of "**Bata**." The main claim by **BATA LIMITED CANADA** is that it has at all material times been the registered proprietor in Tanzania of the Trade Mark "**Bata**" and further that the registration of the trademark "**Bata**" is and has at all material times been valid and subsisting. **BATA LIMITED CANADA** claims further that since registration, the trade mark has been used exclusively upon the goods registered there under and that **BATA LIMITED CANADA** has, through its Registered User, **Bata Shoe Company (Tanzania) Ltd**, been manufacturing and marketing in Tanzania and throughout East Africa for many years, the said slippers in a distinctive design, get-up, marks and colours with the word "**Bata**." Consequently, **BATA LIMITED CANADA** further claims, by the use of the Trademark "**Bata**", **BATA LIMITED CANADA** has acquired a substantial reputation in the said Trade Mark. **BATA LIMITED CANADA** claims further that, since 2005, **BORA INDUSTRIES LTD**, is still selling in Tanzania slippers in a get-up similar to that used by **BATA LIMITED CANADA**. Initially, **BATA LIMITED CANADA** further claims, **BORA INDUSTRIES LTD** used to sell its products in a design and get up which is quite distinct from the **BATA LIMITED CANADA** until recently when they so decided to infringe, on the **BATA LIMITED CANADA** design and get-up so as to hijack and unlawfully enjoy **BATA LIMITED CANADA** hard earned reputation and goodwill. **BATA LIMITED CANADA** claims further that **BORA**

**INDUSTRIES LTD.** has manufactured, sold, distributed and put on to the same market as that of **BATA LIMITED CANADA**, shoes bearing identical shape, colour, configuration, overall design and general appearance to **BATA LIMITED CANADA** shoes marketed under the trademark "**Bata**." **BATA LIMITED CANADA** claims further that **BORA INDUSTRIES LTD.** shoes are designed and styled as "**Bora**", which are virtually similar if not identical to **BATA LIMITED CANADA** trademark "**Bata**." **BATA LIMITED CANADA** claims further that **BORA INDUSTRIES LTD** has marketed the said shoes under the trademark "**Bora**" whose get-up is identical to **BATA LIMITED CANADA** trademark "**Bata**" get-up. **BATA LIMITED CANADA** claims further that the "**Bata**" products bear on the inner sole of the slipper numerous imprints of two very distinctive marks. **BATA LIMITED CANADA** claims further that **BORA INDUSTRIES LTD** has passed-off and continues to pass-off shoes manufactured by **BATA LIMITED CANADA**, as and for shoes, manufactured by **BATA LIMITED CANADA** under the "**Bata**" trademark. **BATA LIMITED CANADA** claims further that **BORA INDUSTRIES LTD** has wrongfully sold and passed off shoes of the **BATA LIMITED CANADA** in a get-up and configuration bearing a label, which is a colourable and deceptive imitation of the well-known get-up and configuration of **BATA LIMITED CANADA** shoes. **BORA INDUSTRIES LTD** has vehemently disputed the entire claims by **BATA LIMITED CANADA**.

A total of five witnesses testified for **BATA LIMITED CANADA**, **Mr. Tom Kasakala (PW1)**, the Managing Director of Bata Shoe (T) Ltd, **Mr. John Mosha (PW2)**, working with Bata Shoes (T) Ltd as depot Manager,

**Mr. Benson Okumu (PW3)**, the Chief Financial Officer for East and Central Africa and also a member in the Board of Director in Bata Ltd, **Mr. Abdul Twalib Godfrey (PW4)**, the whole seller of Bata Ltd products, and **M/s Doroth Obiayo (PW5)**, a Legal Officer from Bata Limited Canada. **BORA INDUSTRIES LTD** on its part brought two witnesses, **Mr. Hakiel Ombeni Mgonja (DW1)**, the Assistant Registrar with Business Registration Licensing Agency (BRELA) on Trade and Service Marks, and **Mr. Rajesh (DW2)**, the Managing Director of Bora Industries Ltd.

**Messrs Nuhu** and **Mkumbukwa**, learned Counsel appeared for **BATA LIMITED CANADA**. **Messrs Duncan** and **Josiah**, learned Counsel represented **BORA INDUSTRIES LTD**. The learned Counsel, at the end of the trial, filed their closing submissions.

The present dispute essentially revolves around seven issues, as framed and recorded by this Court at the first day of hearing. I propose to determine the first, second and third issues jointly.

The first issue is ***whether the plaintiff is, or has at all material times been, the registered proprietor in Tanzania of the trade mark "Bata."*** The second issue is, ***if the answer to the above is in the affirmative, what is the plaintiff's registered mark and/or representation?*** The third issue is ***whether the assignment of trademark "Bata" by the Plaintiff to another entity extinguish the Plaintiff's right to sue for trademark infringement and/or passing off which occurred before the assignment?***

The bone of contention in this suit is largely over the proprietorship of the registered trademark "**Bata**." Mr. Nuhu learned Counsel for **BATA**

**LIMITED CANADA** in his closing submissions argues that, at all material time prior to the period ending the **25<sup>th</sup> of August, 2005**, which according to him is the accrual date of the cause of action **BATA LIMITED CANADA** was the registered owner of the trade mark "**Bata**." Mr. Nuhu referred this Court to the Certificate of Registration, **Exhibit P1**. Mr. Duncan learned Counsel for **BORA INDUSTRIES LTD**, in his closing submissions submits that, **BATA LIMITED CANADA** is not, and, at all material time has never been, a registered proprietor of the trademark "**Bata**." According to Mr. Duncan, the trademark "**Bata**" was originally registered in Tanzania in 1946, under **Number 1684** in **Class 38**, which has now been changed to **Class 25**, as per the Certificate of Registration, **Exhibit P1**. Mr. Duncan argues further that the mark was in a special font and was in respect of boots and shoes only. The slippers, which are the subject matter of the dispute in this suit, were not covered. Mr. Duncan adds that as per **Exhibit P1**, the original registered proprietor of the trade mark "**Bata**" was **East Africa Bata Shoe Company Limited**, and that the same mark was later on assigned to **Bata Limited Canada**, the Plaintiff herein, who further assigned it to **Bata Brands s.a.r.l., Luxembourg Succursale de Lausanne, Switzerland of Avenue de Rhodanie 70, 1007 Lausanne, Switzerland**. According to Mr. Duncan, after the assignment, **BATA LIMITED CANADA** ceased its proprietorship over the trademark "**Bata**", and therefore the proprietorship and the interest in that trademark are now vested on the assignee, **Bata Brands s.a.r.l of Switzerland**. Mr. Duncan amplifies that by the registration of the assignment, **BATA LIMITED CANADA** was removed from the

register, and the name of **Bata Brands s.a.r.l** was accordingly entered instead. The de-registration of **BATA LIMITED CANADA** and the registration of **Bata Brands s.a.r.l** in the register effectively divested rights of **BATA LIMITED CANADA** acquired by the registration and the same now vests upon the assignee, Mr. Duncan surmises.

On the Court record, the trade mark "**Bata**", as Mr. Duncan rightly submitted, was originally registered in Tanzania (then Tanganyika) on the **9<sup>th</sup> day of May, 1946** in respect of "*Boots and Shoes*", the sole proprietorship being the **East Africa Bata Shoe Company Ltd** as per the Certificate of Registration, **Exhibit P1**. The same **Exhibit P1**, shows that, from the **13<sup>th</sup> of August, 1975**, the mark "**Bata**" was assigned to **BATA LIMITED CANADA**, the Plaintiff herein. However, on the **31<sup>st</sup> day of October, 2005**, **BATA LIMITED CANADA** assigned the same mark to **Bata Brands s.a.r.l, Switzerland**. In his testimony here in Court during the trial, **DW1**, the Deputy Registrar of Trade and Services Mark at BRELA, recognized the Certificate of Registration, **Exhibit P1**, and confirmed that it is genuine and forms part of the documents in his office. The pertinent question therefore becomes *whether the Plaintiff, Bata Limited Canada is or has at all material times been the registered proprietor of the Trade Mark in Tanzania.*

Mr. Duncan for **BORA INDUSTRIES LTD** has vehemently disputed the claim by **BATA LIMITED CANADA** over the proprietorship of the trademark "**Bata**" and has invited this Court to consider issues of "**assignments**" made in respect of the mark "**Bata**" as well identified under **Exhibit P1**. It is trite therefore for this Court first to discuss the

issue of assignment and its legal effects before embarking on resolving the issues regarding the proprietorship of the disputed trademark "**Bata**." In terms of the law governing trade mark and service marks in Tanzania, the Trade and Service Marks Act, Cap.326 R.E. 2002, section 2 defines the term "**assignment**" to mean "***transfer by act of the parties concerned***." According to **Black's Law Dictionary 8<sup>th</sup> Ed**, the term "transfer" depicts two meanings, namely:

- "1. To convey or remove from one place or one person to another; to pass or hand over from one to another esp. to change over the possession or control of.*
- 2. To sell or give."*

Simply stated "assignment" means "*a sale of the mark by the registered proprietor to a third party*" of which the assigning person is the "**assignor**", and the person to whom the trademark is assigned is the "**assignee**", which rendering also find expression in **Sakar on Trade Marks Law and Practice, 4<sup>th</sup> Ed, 1999** at p. 232. As soon as the assignment by the registration of the mark so assigned is completed, the rights of the assignor become of the assignee, which means that **after a valid assignment, all the rights and interests of the assignor passes on to the assignee**: the assignee literary therefore "steps into the shoes" of the assignor. I am alive however, to the decision in the Indian case of **PINK VERSUS J.A SHARWOOD & CO. LTD, (1913) RPC 725** that:



*"...the registered trade mark cannot be assigned with or without goodwill, but such an assignment may also be either for the entire specification of goods or for a part of it only."*

Goodwill can therefore simply be defined as *"intangible value of a piece of property for example a brand's reputation and recognizability"*, the reason why under the Trade and Service Marks Act, Cap.326 R.E. 2002, which is the statute governing trade and service marks in this country, the registration of assignments of a trade mark is compulsory for purposes of proof of proprietorship right, which is to be exercised by the assignee. As such a Certificate of Assignment issued by the competent authority will be accepted by Court as conclusive evidence of assignment. This position was succinctly stated in one Indian case, that of **P.L. LAMBA VERSUS AVTAR KISHAN (1999) 80 DLT 126**, that **by the assignment, the original proprietor therefore is divested of his right, title or interest in the mark**. An assignment however, can come with an express agreement that the assignor is exempted from liability and that the purchaser takes it *"at his or her own risk."* In that case therefore **the assignee will not be entitled to damages or an account of profits for infringement for the period before particulars of the assignment are registered**. It is in my considered view therefore that, by an express agreement, the assignor is exempted from liability and that the purchaser takes it *"at his or her own risk."* On the facts as presented in this suit and the evidence adduced, I find and hold that, **East Africa Bata Shoe Company Limited, Bata Limited Canada and Bata Brands s.a.r.l, Switzerland**

by way of assignment, are quite distinct and separate legal entities with distinct rights and liabilities. As such **BATA LIMITED CANADA** cannot therefore claim that *it is or has at all material times been* the registered proprietor in Tanzania, of the trade mark "**Bata**." However, it is trite legal principle that principally **an assignment of a trademark by the assignor to an assignee does not extinguish the right of the assignor to sue for trademark infringement and/or passing off, which occurred before the assignment.** Let me pause here for a moment to reflect on the issue of accrual of the cause of action in this suit as this is relevant to the period within which the alleged infringement is said to have occurred.

According to Mr. Nuhu learned Counsel for **BATA LIMITED CANADA**, the date of the accrual of the cause of action in this suit is on the **25<sup>th</sup> of August 2005**, which as per the Court record is the date the suit was initially lodged in this Court. Mr. Nuhu submits that up and until that date, **BATA LIMITED CANADA** as per **Exhibit P1** was still the registered owner of the trade mark "**Bata**." Mr. Nuhu however, did not tell this Court exactly when the cause of action accrued. However, upon careful examination of paragraph 9 of the Amended Plaintiff filed in this Court on **17<sup>th</sup> November, 2006**, **BATA LIMITED CANADA** pleaded that, in or about **June, 2005**, **BATA LIMITED CANADA** learnt that the **BORA INDUSTRIES LTD** has been and still selling in Tanzania slippers in a get up or mark similar to that used by **BATA LIMITED CANADA**. I therefore take for purposes of this suit that about June 2005, as per the statement by **BATA LIMITED CANADA** in its own pleadings, and which facts has

not seriously been contested by the Defendant, to be the date of the accrual of cause of action. As per **Exhibit P1**, the assignment of the trademark "**Bata**" to **Bata Brands s.a.r.l, Switzerland** was made on the **31<sup>st</sup> October, 2005**. Now, since as per the statement by **BATA LIMITED CANADA** in its own statement, the cause of action in this suit accrued in about **June 2005**, which is before the assignment of the mark to **Bata Brands s.a.r.l, Switzerland**, the assignment of trademark "Bata" by **BATA LIMITED CANADA** to another entity cannot therefore be said to have extinguished the right of **BATA LIMITED CANADA** to sue for trademark infringement and/or passing off, which **BATA LIMITED CANADA** claims that it occurred before the assignment. On the foregoing reasons, the third issue ***whether the assignment of trademark "Bata" by the plaintiff to another entity extinguish the Plaintiff's right to sue for trademark infringement and/or passing off which occurred before the assignment*** is to be answered in the affirmative. This finding and holding however, does not mean that Bata Limited Canada is to be entitled to any relief, and this is for reasons which I shall shortly expound later in the course of this judgment.

I also find and hold that by the assignment of the trademark "**Bata**" by BATA LIMITED CANADA to **Bata Brands s.a.r.l, Switzerland** on the **31<sup>st</sup> October, 2005**, **BATA LIMITED CANADA**, who was the original proprietor of the trademark "**Bata**" was thereby divested of his right, title or interest in the said mark. It is for this reason that the first issue ***whether the Plaintiff is or has at all material times been the***

***registered proprietor in Tanzania of the Trade Mark "Bata"*** is to be answered in the negative.

Considering that I have determined the first issue in the negative, the second issue, which is ***what is the plaintiff's registered and mark and/or representation***, thereby crumbles like a pack of cards for it has no legs on which to stand. It is accordingly hereby dismissed.

Let me now turn to consider the fourth issue, which is *whether the Defendant is a registered proprietor in Tanzania of the trademark "Bora."* In Tanzania, the only proof of registration of a trade or service mark is by a ***"Certificate in the prescribed form."*** This is in terms of section 28(2) of the Trade and Service Marks Act, Cap. 326 R.E 2002, which provides as follows:

*"On the registration of a trade or service mark, the Registrar shall cause to be sealed and shall issue to the applicant a **Certificate in the prescribed form of its registration.**" (the emphasis is of this Court)."*

The above legal position finds judicial restatement in the recent decision of this Court per Makaramba, J. at page 23 of the typed judgment in the case of **IPP LIMITED VERSUS PRINCE BAGENDA AND 3 OTHERS, Commercial Case No. 20 of 2009** (unreported). It is in my considered view and as is borne out of the governing law on trade and service marks in this country, that, a sealed Certificate of Registration issued by the Registrar of Trade and Service Marks at BRELA, is conclusive

evidence of the registration of the proprietorship of the trade mark. In the present suit, **BORA INDUSTRIES LTD** has successfully tendered in this Court a certified copy of the Certificate of Registration of the mark "**Bora**" under class **25** No.B11777, **Exhibit D3**. The registered trademark "Bora" as per **Exhibit D3** is in respect of "Boots, Shoes and Slippers" and the registered proprietor is the **Tanzania Shoe Company Limited**, effective from the **3<sup>rd</sup> of July, 1968**. The evidence on the court record shows that, in between, there have been some renewals of the registration of the trademark "**Bora**" as clearly inscribed in **Exhibit D4** collectively. However, on the reverse of the Certificate of Registration, **Exhibit D3**, there is an alteration on the mark "**Bora**" within which a mark has been put within a circle and the picture of a Leopard has been inserted on the top of the word "**Bora**." The same Certificate of Registration further shows that, as from the **1<sup>st</sup> day of December, 1997**, the mark "**Bora**" was assigned to **BORA INDUSTRIES LIMITED**, the Defendant hereat, and the renewal of the same, as per **Exhibit D4** collectively, was made on the **3<sup>rd</sup> day of July 2003**. Furthermore, on the **24<sup>th</sup> day of March 2005**, **BORA INDUSTRIES LIMITED** registered an associated mark in **Class 25** under No.30821 as evidenced by the Certificate of Registration, **Exhibit D6**. The new mark as per **Exhibit D10** was renewed on the **24<sup>th</sup> day of March 2012**.

On the foregoing undisputed facts and the reasons I have explained above, I am satisfied on a balance of probabilities that, **BORA INDUSTRIES LIMITED** is the registered proprietor in Tanzania of the trademark "**Bora**." Accordingly, the fourth issue *whether the Defendant is*

a registered proprietor in Tanzania of the trademark "Bora" is to be answered in the affirmative.

Let me now turn to consider and determine the fifth and sixth issues, jointly. The fifth issue is ***whether the Defendant has at any material time infringed the plaintiff's registered trademark "Bata."*** The sixth issue is ***whether the Defendant has at any material times passed off her goods as those of the Plaintiff.***

In his closing submissions, Mr. Mkumbukwa learned Counsel for **BATA LIMITED CANADA** argues that, the new mark by "**Bora**" is similar to the mark "**Bata**", and is "likely to confuse" "**Bata**" products customers. The word and font configuration and size of the mark "**Bora**" resembles and is similar to "**Bata**" trade Mark, Mr. Mkumbukwa further submits. It is therefore difficult for "**an illiterate person**" to distinguish between the two marks, Mr. Mkumbukwa further submits and has referred this Court to the case of **HASSANALI SACHOO VERSUS TIEBOLAG [1958] EA 464** in which it was held that:

*"The Court would take judicial notice of the habit of illiterate and unsophisticated Africans..."*

According to Mr. Mkumbukwa, **Exhibit D6** is unlawfully registered, and amplified that the adoption of the circles by **BORA INDUSTRIES LIMITED** was done in bad faith since it is **BATA LIMITED CANADA** who started to use the mark. Mr. Mkumbukwa submits further that, the registration of the trade mark "**Bata**" under section 32(1) (b) of the Trade

Mark and Services Marks Act confers on **BATA LIMITED CANADA** with exclusive protection to registered goods and closely related goods. In illustrating this point, Mr. Mkumbukwa has referred this Court to the case of **EAST AFRICAN TOBACCO CO. LTD VERSUS THE COLONIAL TOBACCO CO. LTD [1938] EACA 6** in which it was held as follows:

*"That if a manufacturer sells goods in a get up which is so clearly resembles that of another person's goods as to enable his own goods to be sold as the goods of that other person, the manufacturer puts an instrument of fraud into the hands of the shopkeeper. The law will not allow a manufacturer to put a shopkeeper in such a position."*

Mr. Mkumbukwa submits further that, the Registrar erred as he ought to have run an internal search in the register and thereafter refuse to accept the application by **BORA INDUSTRIES LIMITED** under the provisions of sections 16, 20 and 28 of the Trade and Service Marks Act.

In his testimony before this Court, PW1 stated under oath that, the mark "**Bora**" if compared with that of "**Bata**" is perceived to be that of "**Bata**." PW1 testified further that if one does not look at it carefully, the mark "**Bora**" looks like that of "**Bata**." Further, PW1 testified in this Court that the word "**Bora**" has been designed in such a way that it wants to imitate the word "**Bata**." PW1 further added that, the mark "**Bora**" and "**Bata**" are very similar and therefore make it difficult for consumers to distinguish between the two. In his testimony PW2 told this Court that, if you look at the mark "**Bora**" within a circle, it is not easy to tell whether it

is "**Bata**" or "**Bora**." PW2 added that the confusion arises even among customers who may fail to differentiate the products from the two companies. In his testimony, PW4, who identified himself as one of the customers of **Bata Limited Canada**, and who identified the slippers admitted in this Court as **Exhibit P6** as being **Bora** product, told this Court that on its sole, the same product carries the mark of "**Bata**." DW2 responding to PW4 as to why the mark "**Bata**" has appeared on the sole of sandals manufactured by Bora, **Exhibit P6**, stated that, there must be a technical error which might have been corrected. DW1 is on record to have stated in this Court during the trial that, the procedures for registration of the trade mark "**Bora**" were followed, and no objection arose from any person. According to DW1, the mark "**Bora**" looks different from that of "**Bata**."

Let me point out here at the outset that an action for infringement of a trade mark is a statutory remedy. In pursuing an infringement action, the Plaintiff must prove his title and exclusive right to the use of the trade mark in question. The Plaintiff must also establish that the Defendant has infringed "***the same by identical or deceptively similar or colourable imitation of it.***" The person counterfeiting or imitating the mark is the "**infringer**" which gives rise to the "**infringement**" action. In filing an infringement action however, the Plaintiff's mark must first have been registered. I have determined earlier in this judgment that in the present suit, undoubtedly the Plaintiff's trademark has been registered although it has already been assigned to another person who is not a party to this suit. In terms of section 31 of the Trade and Service Mark Act, the



registration of a trademark, evidenced by a Certificate of Registration issued by the competent authority, confers on the registered proprietor, an exclusive use of the registered trade mark. The pertinent question for this Court therefore is ***whether the Defendant has at any material time infringed the Plaintiff's registered mark***. The connected issue is this: ***at what particular material time the Plaintiff was the sole proprietor of the registered trademark alleged to have been infringed by the Defendant***. In Tanzania, infringement of a trade mark is specifically covered under section 32 (1) & (2) of the Trade and Service Marks Act, which stipulates as follows:

*"(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 trademarks 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.*

*(2) The exclusive right referred to in section 31 shall, subject to provisions of subsection (3) also be deemed to be infringed by any person who, not being the proprietor of the trade mark or its registered user using by way of permitted use, does any of the following acts in the course of trade in respect of goods purchased from the proprietor of the trade mark of a registered user—*

- (a) applying the trade mark upon the goods after they suffered alteration as respects their state or condition, get up or packing;*
- (b) where the trade mark is upon the goods, altering or obliterating it, whether wholly or partly;*
- (c) where the trade mark is upon goods, and there is also on it other matter, being matter indicating a connection in the course of trade between the proprietor or registered user and the goods, removing or obliterating, whether wholly or partly, the trade mark, unless that other matter is wholly removed or obliterated;*
- (d) where the trade mark is upon the goods, applying any other trade mark to the goods; and*
- (e) where the trade mark is upon the goods, adding to the goods any other matter in writing that is likely to injure the acquired reputation of the trade mark.”*

An act of infringement as per the above provision of the law therefore arises in a circumstance where the infringer **is not a registered proprietor** of the mark but **uses a mark of the registered proprietor** ***"as likely to deceive or cause confusion."*** Notably, **BORA INDUSTRIES LIMITED's** mark "***Bora***" is a registered trademark. It means therefore that by virtue of section 31 of the Trade and Service Marks Act, **BORA INDUSTRIES LIMITED** has acquired exclusive use of the mark "***Bora.***" This however, still begs the question, ***whether the Defendant as a registered proprietor uses its mark identical with or so nearly resembling it as to be likely to deceive or cause confusion in relation to any goods in respect of which it is registered.*** In resolving this issue, the need to establish first whether the disputed marks are "***distinctive or identical/nearly resembling***" each other cannot be overemphasized. The question whether a trademark is distinctive or not, in my considered view, is a question of facts. It can only be settled by considering the whole of the circumstances of the particular case in a particular given factual situation. Distinctiveness as per the Indian case of **I.T.C LTD VERSUS REGISTRAR OF TRADE MARKS AIR 1977 Cal 413 (DB)** is understood to mean "***some quality in the trade mark which earmarks the goods so marked as distinct from those of others products of such goods.***" In order to establish whether one mark is deceptively similar to another, the broad and essential features of the two marks are to be considered. The two marks should therefore be placed side by side in order to find out if there are any differences in the design, and whether they are of such a character so as to prevent one

design from being mistaken for the other. The test for determining whether one mark is deceptively similar to another was laid down by the Supreme Court of India in the case of **PIANOTIST CO. LTD'S CASE (1906) 23 RPC 774** as follows:

*"You must take the two words, you must judge of them, both by their look and by their sound. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances, and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion-that is to say, not necessarily that one man will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public which lead to confusion in the goods, then you may refuse the registration, or rather you must refuse the registration in that case."*

The nature of the commodity, the class of its purchasers, and the mode of purchase and surrounding circumstances must also be taken into consideration. For a "**word mark**", both visual and phonetic tests to the mark have to be applied. The surrounding circumstances, which would include the nature and kind of customers who would be likely to buy goods under the two marks, whether they would be sold at the same place side

by side and whether after goods are obtained by a customer there is likelihood of his making a mistake are factors to be considered. A mark is deemed to be deceptively similar to another mark "***if it so nearly resembles that other mark as to be likely to deceive or cause confusion.***" In my considered opinion, the question of likelihood of confusion must be judged in a common sense way having regard to the whole matter and to the visual and phonetic resemblances of the mark. Each of the marks must therefore be looked at as a whole and not merely through particular differences and resemblances.

I have very carefully compared the two disputed marks "***Bata***" and "***Bora***" in the style, design and form provided. On the Plaintiff's mark "***Bata***", I have examined the contents of **Exhibit P1**, the Certificate of Registration of the mark "***Bata***" dated the 9<sup>th</sup> of May, 1946. I have also examined **Exhibit P3**, the Certificate of Registration of the mark "***Bata***" dated the 14<sup>th</sup> of April, 2004. I have also looked at **Exhibit P5**, the sample of two pairs of sandals manufactured by **Bata**, and also **Exhibit P9**, a photo showing an advertisement on "***Patapata***" sandals manufactured by **Bata**. I have also examined the Defendant's mark "***Bora***" contained in **Exhibit D6**, a *Certificate of Registration* of the mark "***Bora***" dated the 24<sup>th</sup> of March 2005. Lastly I have had a look at **Exhibit P6**, two pairs of sandals. Upon a closer and careful comparison of the two disputed marks, I have come to the conclusion that, the stylish and design of the mark "***Bora***" as it appears in **Exhibit D6** and **Exhibit P6** respectively looks similar to that of "***Bata***", which in my considered and humble opinion, is likely to cause confusion to consumer especially to illiterate persons. The

next vital question to be considered therefore is *whether such similarities amounts to infringement of the Plaintiff's trade mark* as understood in the law. Let me state generally here and without any prejudice that it is a rather unfortunate situation and equally baffling to me, that **BORA INDUSTRIES LIMITED**, a registered proprietor of the registered trademark "**Bora**", is in this suit being sued for the use of its own registered trade mark! In my considered view, which view also finds support in our law, that **BORA INDUSTRIES LIMITED** having successfully registered the mark "**Bora**" as its sole proprietor, **BORA INDUSTRIES LIMITED**, thereby is perfectly entitled to exercise its rights under section 31 of the Trade and Service Marks Act. In this suit it has not been successfully established whether the registration of the trade mark "**Bora**" under **Exhibit P11/Exhibit D6** was tainted by any fraud. In his testimony before this Court DW1, the Deputy Registrar of the Trade and Service Marks stated that, all procedures for the registration of the trademark "**Bora**" were effectively followed, and that no any objection ever was raised by any person. It is therefore my considered view that, in terms of section 31 of the Trade and Service Marks Act, **BORA INDUSTRIES LIMITED** was and has been enjoying the exclusive right to the use of the trademark "**Bora**", which right cannot by any stretch of imagination be termed as infringement as understood in the law governing trade and service marks in this Country.

The evidence on record shows that **BATA LIMITED CANADA** successfully assigned the trademark "**Bata**" to **Bata Brands s.a.r.l, Switzerland** on the **31<sup>st</sup> October, 2005**. The cause of action according

to **BATA LIMITED CANADA** in its own pleadings, accrued in about **June 2005**. This was before the assignment of the trademark Bata by **BATA LIMITED CANADA** to **Bata Brands s.a.r.l, Switzerland**. **BATA LIMITED CANADA** lodged this suit on **25<sup>th</sup> October 2005**. This was before the assignment of the trademark "**Bata**." In my considered view, much as the original proprietor of the trademark "**Bata**", **BATA LIMITED CANADA**, was thereby divested of its right, title or interest in the mark as from the **31<sup>st</sup> October, 2005**, however, the right of **BATA LIMITED CANADA** as the assignor to sue for trademark infringement and/or passing off, which occurred before the assignment was not thereby extinguished by the assignment. However, since as from the 31<sup>st</sup> October 2005, **BATA LIMITED CANADA** no longer had any proprietorship in a registered trademark capable of being infringed. **BATA LIMITED CANADA** could not therefore sue for infringement of the trademark "Bata" after that material date, that is, the 31<sup>st</sup> October 2005 and claim remedy for infringement of the said trademark.

It is for the above reasons that the fifth issue ***whether the Defendant has at any material time infringed the Plaintiff's registered trademark "Bata" is to be answered in the negative.***

Let me now turn to consider the sixth issue, which is ***whether the Defendant has at any material time passed off her goods as those of the Plaintiff.***

In his closing submissions Mr. Mkumbukwa for **BATA LIMITED CANADA** argued that, **BORA INDUSTRIES LIMITED** passed off its goods as that of **Bata**. Mr. Mkumbukwa submitted further that **PW4**

tendered in Court **Exhibit P6**, which shows that **BORA INDUSTRIES LIMITED** passed off its goods as that of **Bata**. Mr. Mkumbukwa referred this Court to section 30 of the Trade and Service Marks Act, which provides that:

*"No person shall be entitled to institute any proceedings to prevent or to recover damages for, the infringement of an unregistered trade or service mark, but **nothing in this Act shall be deemed to affect rights of action against any person for passing off goods or services as the goods or services of another person, or the remedies in respect of them.**" (the emphasis is of this Court).*

The first limb of section 30 of the Trade and Service Marks Act bars any person from instituting any proceedings to prevent or to recover damages for, **the infringement of an unregistered trade or service mark**. It means therefore that no action for infringement can lie against an unregistered trade or service mark, or in other words, an action for infringement can only be maintained against a registered trade or service mark. Section 30 of the Trade and Service Marks Act provides an exception to the first limb by retaining the right of action against any person for **passing off goods or services as the goods or services of another person, or the remedies in respect of them**. Section 30 of the Trade and Service Marks Act has therefore retained intact the common law remedy of "passing off." The said section draws a very clear distinction between "***rights in trademarks***", that is, the statutory remedy of



infringement of a right to exclusive use enjoyable only in relation with a registered trademark, and the common law "***rights against unfair competition***", or passing off, for unregistered trademarks. The common law remedy of passing off falls within the ambit of deceit, in that, the Defendant ***represents, for trading purposes, that his goods are those or that his business is that of the Plaintiff***. The learned author Sakar explains at page 153 of his book ***Trade Marks Law and Practice*** that the concept grounding the common law action of "passing off" is that, "*No man may pass off his goods as those of another.*" The learned author defines "**passing off**" in the same book in the following terms:

*"It is an actionable wrong for the Defendant **to represent, for trading purposes, that his goods are those or that his business is that of the Plaintiff**, and it makes no difference whether the representations are effected by direct statements, or by using some of the badges colourably, resembling these, in connection with the goods of the same kind, not being the goods of the Plaintiff, in such a manner as to be calculated to cause the goods to be taken by ordinary purchasers for the goods of the Plaintiff."* (the emphasis is of this Court).

The cause of action for passing off, which lies outside of the statutory law of trademarks, focuses strictly on the defendant's conduct and the potential marketplace harm it may cause. The main issue is ***whether the common law action for passing off may lie in respect of registered***

***as well as unregistered trade mark.*** Much as the statutory remedy of infringement of a right to exclusive use is enjoyable only in relation with a registered trademark, an action of passing off may be enforceable against both registered and unregistered trademark. It is therefore not necessary for the Plaintiff in an action for passing off to prove that all persons or substantially all persons in the market are aware of the mark, but the Plaintiff must show that to a substantial proportion of persons who are purchasers or probable purchasers of goods of the kind in question, the name indicates the goods of the Plaintiff and it is not necessary that all such purchasers must entertain that view.

In the present case, **BATA LIMITED CANADA** claims that **BORA INDUSTRIES LIMITED** has passed off its goods as that of **BATA LIMITED CANADA**, in a way that the goods of the Defendant are likely to cause confusion among consumers. In order for the Plaintiff to succeed in an action of passing off, the Plaintiff must prove the following elements:

*Firstly, the Plaintiff must establish a goodwill or reputation attached to the goods or services which the Plaintiff supplies in the mind of the purchasing public by association with the identifying "Get-Up" (whether it consists simply of a brand name or a trade description or the individual features of labeling or packaging) under the particular goods or services are offered to the public, such that the get-up is recognized by the public as distinctive specifically of the Plaintiff's goods or services.*

*Secondly, the Plaintiff must demonstrate a misrepresentation by the Defendant to the public (whether or not Intentional) leading or likely to lead the public to believe that the goods or services offered by him are the goods or services of the Plaintiff.*

*Thirdly, the Plaintiff must demonstrate that the Plaintiff suffers or, in a quick time action, that the Plaintiff is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the Defendant's goods or services is the same as the source of those offered by the Plaintiff.*

The Delhi High Court has insisted in the case of **HINDUSTAN RADIATOR CO. VERSUS HINDUSTAN RADIATORS LTD, AIR (1987) Del 353** on the eight requirements for a passing off case to be successful, namely:-

- (i) That the Plaintiff has been using its trading style and trade mark for quite a long period and continuously, whereas the Defendant has entered into the said field only recently;*
- (ii) That there has not been much delay in the filing of the suit for injunction by the Plaintiff;*
- (iii) That the goods of the Plaintiff have acquired distinctiveness and are associated in the minds of the general public as goods of the Plaintiff;*

*(iv) That the nature of activity of the Plaintiff and that of the Defendant are the same or similar;*

*(v) That the goods of the parties, with which the trade mark of the Plaintiff is associated, are the same or similar;*

*(vi) That the user of the same trade mark or trade name by the Defendant is likely to deceive and cause confusion in the public mind and injury to the business reputation of the Plaintiff;*

*(vii) That the sphere of activity and the market of consumption of goods of the parties are the same.*

*(Viii) That the customers of the Plaintiff inter alia include uneducated, illiterate and unwary customers, who are capable of being deceived, confused or misled.*

On the evidence on record, **BATA CANADA LIMITED** has been using its registered trade mark since the **13<sup>th</sup> of August, 1975**, while **BORA INDUSTRIES LIMITED** has been using its registered trade mark much later, that is, from the **24<sup>th</sup> of March, 2005** as per **Exhibit P1** and **Exhibit D6** respectively. As per **Exhibit P1**, however, on the **31<sup>st</sup> day of October, 2005**, **BATA LIMITED CANADA** assigned the trademark "Bata" to **Bata Brands s.a.r.l, Switzerland**. Much as I have

intimated earlier in this judgment, that the use of the trade mark "**Bora**" by **BORA INDUSTRIES LIMITED** is likely to deceive and cause confusion in the public mind and injury to the business reputation of **BATA CANADA LIMITED**, considering that **BATA LIMITED CANADA** has assigned the mark "Bata" to **Bata Brands s.a.r.l, Switzerland, BATA CANADA LIMITED** cannot maintain any action against **BORA INDUSTRIES LIMITED** be it for infringement or for passing off. There is no doubt that on the evidence on record, the goods of **BATA CANADA LIMITED**, whose brand "Bata" is now in the sole proprietorship of **Bata Brands s.a.r.l, Switzerland**, which is not a party in this suit, have acquired distinctiveness and are associated in the minds of the general public as goods of **BATA CANADA LIMITED** as per the testimony of **PW4**. The nature of activity of **BATA CANADA LIMITED**, which has since **31<sup>st</sup> day of October, 2005** assigned its brand "Bata" to **Bata Brands s.a.r.l, Switzerland**, and that of **BORA INDUSTRIES LIMITED**, are similar. The registered trademark "**Bata**" and "**Bora**" each identifies the mark of the respective companies, the former with previously **BATA CANADA LIMITED** and since **31<sup>st</sup> October 2005**, with **Bata Brands s.a.r.l, Switzerland**, and the later with **BORA INDUSTRIES LIMITED**. A customer relates the trademark "**Bata**" and "**Bora**" with the quality of products and reputation of the respective company using them, namely previously **BATA CANADA LIMITED** and since **31<sup>st</sup> October 2005**, **Bata Brands s.a.r.l, Switzerland** and **BORA INDUSTRIES LIMITED** are both involved in the manufacturing of slippers. It is also not disputed that, the sphere of activity and the market of consumption of goods of the two

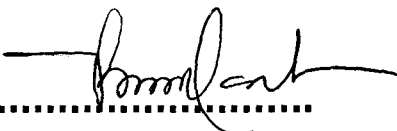
disputing companies are the same and that the customers of **BATA CANADA LIMITED** previously and **Bata Brands s.a.r.l, Switzerland** since **31<sup>st</sup> October 2005**, among others include uneducated, illiterate and unwary customers, who are capable of being deceived, confused or misled. I subscribe to the trite legal principle that was enunciated in the Indian case of **CHHEDI LAL VERSUS SHAKURAN BIBI, AIR (1967) AIR 269** that, "*nobody has any right to represent his goods as those of somebody else, and sell them in the market for his own aggrandizement.*" In this country, the Trade and Service Marks Act under section 20, prohibits registration of any goods or description of goods, which is "*identical with or deceptively similar to a trade mark, which is already registered in the name of a different proprietor.*" When the later trade mark is deceptively similar or identical to an already registered trade mark, registration of the later one becomes wrongful. The Defendant however, can escape liability by showing that the Defendant's goods, though similar and distinctly but they do not originate from the Plaintiff. I have carefully considered all of the elements of "passing off" as I have outlined them above. I am satisfied in my mind that **BORA INDUSTRIES LIMITED** has produced slippers and sandals similar to those of **BATA LIMITED CANADA** previously and since **31<sup>st</sup> October 2005** of **Bata Brands s.a.r.l, Switzerland**, which unfortunately is not a party in this suit. I have also carefully examined **Exhibit P6**, the sandals manufactured by **BORA INDUSTRIES LIMITED**. In my considered view, the design, colour, cuttings and size are similar to that of **Exhibit P5**, which are the sandals purportedly manufactured by **BATA LIMITED CANADA**, which as I have already

determined earlier in this judgment, since 31<sup>st</sup> October 2005 **BATA LIMITED CANADA** no longer has the sole proprietorship of the “**Bata**” brand having assigned it to **Bata Brands s.a.r.l, Switzerland**, although **Exhibit P6** shows that the sandals originated from **BORA INDUSTRIES LIMITED**. It is my considered view therefore that, the associated mark “**Bora**” as it appears under **Exhibit P11** and **Exhibit D6** was wrongly registered by the Registrar of Trade and Service Marks as it can cause confusion to consumers. However, since as from the **31<sup>st</sup> October 2005**, **Bata Brands s.a.r.l, Switzerland** is the sole proprietor of the “Bata” registered mark, and given that **Bata Brands s.a.r.l, Switzerland** is not a party in this suit, it will be an academic exercise for this Court to grant any remedy in favour of **BATA LIMITED CANADA** as it will be difficult if not altogether impossible for **BATA LIMITED CANADA** to enforce any order of this Court against **BORA INDUSTRIES LIMITED**. It is for the above reasons that the sixth issue, *whether the Defendant has at any material time passed off her goods as those of the Plaintiff* is to be answered in the negative.

The last issue is *to what reliefs are the parties entitled?* **BATA LIMITED CANADA** has made several prayers under the umbrella of the trademark “**Bata**”, which as I have already determined in this judgment, it has already assigned to **Bata Brands s.a.r.l, Switzerland**. As I intimated to earlier in this judgment, **BATA LIMITED CANADA** and **Bata Brands s.a.r.l, Switzerland** are two distinct and separate entities. I have already determined in this judgment that **BATA LIMITED CANADA** has failed to establish any infringement against **BORA INDUSTRIES LIMITED**, which

**at the moment is** not the sole proprietor of the trademark, "**Bata**" having effectively assigned it to **Bata Brands s.a.r.l, Switzerland** as from 31<sup>st</sup> October 2005. Consequently, the various prayers by **BATA LIMITED CANADA** cannot therefore be enforced against **BORA INDUSTRIES LIMITED**.

In the whole, it is for the above reasons that the Plaintiff's case fails. It is accordingly hereby dismissed with costs. It is so ordered.

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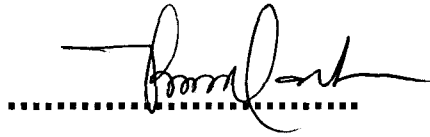
**R.V. MAKARAMBA**

**JUDGE**

**05/04/2013**



Judgment delivered this 05<sup>th</sup> day of April, 2013 in the presence of M/s Upendo Advocate for Mr. Nuhu Advocate or the Plaintiff and Mr. Josiah, Advocate for the Defendant.

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**R.V. MAKARAMBA**

**JUDGE**

**05/04/2013**

**Word count: 8,232**

