

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

COMMERCIAL CASE NO. 19 OF 2006

AKITA ELECTRONIC CO. L.L.C.....PLAINTIFF
VERSUS
MIRE ARTAN ISMAIL..... DEFENDANT

J U D G M E N T

MJASIRI, J.

Date of final submission January 15, 2007.

Date of judgment February 19, 2007.

The Plaintiff Akita Electronic Co. L.L.C registered in Dubai, UAE has filed a suit against the Defendant, a business man and resident of Dar es Salaam Mire Artan Ismail for infringement of the Plaintiff's registered trade mark by selling cheap imitations of electronic goods from China. The Plaintiff has asked the court for the following reliefs:

- (a) An injunction to restrain the Defendant from infringing the Plaintiff's registered trade marks/service marks.*
- (b) An account of profits in respect of each and every infringement .*

(c) Costs.

(d) Any further orders and directions as this court may deem fit.

The defendant denied the allegations made by the Plaintiff. The Defendant also filed a notice of preliminary objection that the suit does not disclose a cause of action against the Defendant. However the preliminary objection was never argued as the written statement of defence was struck out by Kimaro J (as then was) for being filed out of time, and an order for the Plaintiff to proceed *ex parte* was made. A memorandum of review filed by the Defendants was also dismissed by Kimaro J.

The following issues were framed:

- 1. Whether the Defendant has infringed the Plaintiff's Trade Mark "ZEC".*
- 2. Whether the Plaintiff has registered right over the Trade Mark "ZEC".*
- 3. What reliefs are the parties entitled to.*

The Plaintiff was represented by Ms Jane Lyimo Advocate.

The Plaintiff called one witness, Mohamed Saleh Abubakar Al Zubaid, the Managing Director of the Plaintiff. According to PW1 the company deals with the whole sale, import and export of electronic goods and home appliances; i.e TVs, VCRs, DVDs and Refrigerators. The company is trading under a registered trade mark "ZEC" which is registered in various countries including Tanzania. The registration certificates were admitted by the court as Exhibit P1 collectively. The mark was registered for a period of 7 years. The registration was effected on 18th and 19th December 2002.

According to PW1's testimony no other company is allowed to import, sell and/or deal with electronic goods under the Trade Mark ZEC. The Defendant is unknown to PW1.

PW1 came to know about the infringement when he received complaints from people/customers that there were fake items bearing the ZEC brand. PW1 knew the items were fake when he looked at them as the quality was very poor. PW1 had seen the TVs and has a sample of the said TVs. The infringement was only on the TVs. The model, design and quality were different, it was only the name ZEC which was being used.

PW1 stated that he did not have the samples of the TVs in court. PW1 further testified that he met with the Defendant

and asked him to buy the original products from him. He gave the defendant three days to clear the fake products.

PW1 further testified that the infringement of the trade mark has caused the company the following set backs:

- 1. The company's business on the TV sales has dropped between 30 and 40%.*
- 2. The company's profit margin has also dropped as the company had to drop the price by 25% as the Defendant was selling the fake products at a lower price.*

Looking at issue No.1, we need to look at what constitutes infringement in order to determine whether the Defendant has infringed the Registered Trade Mark.

According to Black's Law Dictionary (8th Edition) infringement is defined as an act that interferes with one of the exclusive rights of a patent, copyright or trademark owner.

Section 31 of the Trade and Service Marks Act Chapter 326 [R.E 2002] gives the registered proprietor of a valid trade or service mark 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 of the Trade and Service Mark Act provides as under:

(i) The exclusive right referred 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 trademark 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."

Looking at the evidence adduced in court, the exclusive right to the use of the trade mark ZEC by the Plaintiff is not in dispute at all. In view of Exhibit P1, the Plaintiff is no doubt the registered proprietor of the trade mark ZEC.

However when we look at the issue of infringement no evidence has been adduced in court as to how the Defendant was infringing the Plaintiff's trade mark. No samples, description of the Defendant's products have been produced in court. The court has not been availed with any evidence in order to determine whether the Defendant was selling products of a different model, type and quality under the trade mark ZEC.

Under the Evidence Act Cap 6 [R.E 2002] it is provided that the Plaintiff has the responsibility of proving his case.

Section 111 provides as under:

"The burden of proof in a suit lies on that person who would fail if no evidence at all were given on either side."

Section 112 provides as follows:

"The burden of proof as to any particular fact lies on that person who wishes the court to believe its existence unless it is provided by any law that the proof of that fact shall lie on any particular person."

Section 115 provides as under:

"In civil proceedings when any fact is especially within the knowledge of any person the burden of proving that fact is upon him."

In **Aktiebolaget Jonkoping-Vucan Indstricksfabrinksaktie bolag V East African Match Co.** 1964 EA 67. Udo Udoma CJ stated as under:

"As a general proposition of law, I think I am right in stating that the burden of satisfying the court that there has been an infringement of its trade mark is on the Plaintiff's company. It is for the Plaintiff's Company to prove that there is a resemblance between the two marks

and that such resemblance is deceptive. It is also a well established principle of law that it is the duty of the judge to decide whether the trade mark complained of so nearly resemble the registered trade mark as to be likely to deceive or cause confusion in the mind of the public. From that duty the judge cannot abdicate.”

The issue of burden of proof as regards to the finding of facts was set out as early as 1895 by Lord Halbury in the case of **Reddaway V Bahnam** [1896] AC 199. The Lord Chancellor stated as follows at page 104:

“My Lords, I believe in this case that the question turns upon a question of fact. The question of law is so constantly mixed up with the various questions of fact which arise on the enquiry of the character in which your Lordships have been engaged, that it is sometimes difficult when examining former decisions to disentangle what is to be decided as fact and what is laid down as a principle of law. For myself, I believe the principle of law may be very plainly stated, and that is nobody has a right to represent his goods as the goods of someone else.

How far the use of particular words, signs or pictures does or does not come up to the proposition which I have enunciated in each particular case must always be a

question of evidence, and the more simple the phraseology, the more likely it is to a mere description of the article sold, the greater becomes the difficulty of the proof; but if the proof establishes the fact the legal consequences appear to follow."

In view of the evidence available the Plaintiff has failed to prove that the Defendant has infringed its trademark "ZEC"

With regards to issue No.3; what reliefs the parties are entitled to, the reliefs sought by the Plaintiff in the plaint relevant.

PW1 testified that the business dropped by 30 – 40%, the profit margin dropped and the Plaintiff had to lower the prices of its products by 25%. However no documentary evidence was provided to establish the said loss.

In view of the fact that no documentary evidence or sample of products sold by the Defendant were produced in court in order to establish issue No. (2) infringement of the Plaintiff's trademark; the court is not in a position to award the Plaintiff the reliefs prayed for in the plaint, i.e

(a) An injunction to restrain the defendant from infringing the registered trademarks/service marks.

(b) *An account of profits in respect of each and every infringement*

(c) *Costs.*

I would like to mention in passing that this matter came up for ex parte hearing. However this does not mean that when the Plaintiff is given leave to proceed with the case ex parte; the Plaintiff is discharged of the burden of proving the case on the balance of probability as required under the law.

In her written submission Counsel for the Plaintiff cited the case of **Pharmaceutical Manufacturing Co. V Novelty Manufacturing Ltd** 2001 EA 521. Counsel submitted that the Plaintiff is the owner of the Trade Mark "ZEC" and the Defendant has infringed the Plaintiff's registered trade mark by selling cheap imitations of electronic goods from China. In view of the infringement the court should grant the Plaintiff the relief sought.

It is my finding that in **Pharmaceutical Manufacturing Co supra** there was a clear infringement of the Plaintiff's trade mark unlike in the present case.

In view of the failure by the Plaintiff to prove infringement of its trade mark by the defendant. The Plaintiff's case is hereby dismissed.

Sauda Mjasiri
Judge
February 18, 2007.

Delivered in Chambers this 19th day of February 2007 in the presence of Ms Jane Lyimo Advocate for the Plaintiff.

Sauda Mjasiri
Judge
February 19, 2007.

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