

CAIRNS LIMITED
versus
NETRADE MARKETING (PVT) LTD

HIGH COURT OF ZIMBABWE
FOROMA J
HARARE, 26 February 2018 & 23 October 2019

Opposed Matter

F Mahere, for the applicant
F Girach, for the respondent

FOROMA J: This is a court application in terms of which the applicant has sued respondent for an interdict in terms of s 9A (2) of the Trade Marks Act [*Chapter 26:04*] as amended. The terms of the interdict sought which are final in effect are couched as follows:

- ‘1. That respondent be and is hereby interdicted and restrained from infringing the applicant’s Trade Mark Number 1479/95 in class 29 “SUN” or any other words which nearly resemble the applicant’s trade mark 1479/95 sun as to be likely to deceive or cause confusion on or in relation to any of the goods for which the trade mark is registered.
2. The respondent be and is hereby interdicted from using the trademark “Sun” or any other mark, trading name, label or get up likely to result in the goods and/or business of the respondent being taken to be those or that of the applicant without clearly distinguishing such goods and/or business from those or that of the applicant.
3. The respondent be and is hereby interdicted from passing off its goods by the use of the applicant’s trade-mark registered Number 1479/95.
4. The respondent be and is hereby ordered to deliver up to the applicant for destruction all packaging labels posters, wrapping advertising matter documents and other materials in the possession of the respondent bearing the mark “Sun” or so nearly resembling the trade mark of the applicant.

The respondent strenuously opposed the applicant's application arguing that:

- (1) Respondent has not infringed the applicant's trade mark.
- (2) Respondent registered its own trade mark Royal Sun on the 14th August 2014 in respect of meat, fish, poultry and game. Meat extracts preserved dried and cooled fruits and vegetables, jellies, jams composes eggs milk and milk products edible oils and fats which it is entitled to use. The respondent's certificate of Registration is subject to the condition worded by the Registrar as follows- Registration of this mark shall give no right to the exclusive use of the word "Royal" separately from the mark."

The respondent accordingly argues that it is a bona fide registered owner of the trade mark "Royal Sun" and accordingly enjoys the right to use the mark under the class that it was registered and is entitled to benefit from the protection of the law in regard to such use.

- (3) Respondent also argues that there is no likelihood of confusion created among customers by the use of the two respective trademarks concurrently i.e applicant's trade mark and respondent's trade mark.. It is also respondent's contention that applicant incorrectly assumes that the consumer lacks the ability to distinguish the logo of a product they are familiar with from that of another manufacture they are also familiar with at a great level.

That each of the applicants has a duly registered trademark is common cause. It is also common cause that while the applicant's trademark was registered on the 23 September 1996 the respondent's trademark was registered on the 24 August 2014. It is also important to note that the applicant's trademark is subject to the condition imposed by the registrar which reads as follows:

"Registration of this trademark shall give no right to the exclusive use of the device of various fruits except in the precise relation and association on the representation.

A trademark is defined in the TradeMarks Act [Chapter 26:04] as – trademark means a mark which is used or proposed to be used in relation to goods or services for the purpose of :

- (a) indicating a connection in the course of trade between the goods or services and some person having the right either as proprietor or as a registered user to use the mark whether with or without any indication of the identity of that person and
- (b) distinguishing the goods or services in relation to which the mark is used or proposed to be used from the same kind of goods or services connected in the course of trade with any other persons but does not include a certification mark

In light of the fact that each of the parties claims to be using their own registered trade mark the issue for determination is whether the applicant can lawfully prevent respondent from using respondent's own registered trade mark and alternatively and as a matter of fact is respondent's trademark as registered identical to the applicant's trade mark for the purpose of determining infringement. Section 8 (1) of the Trade Marks Act which explains the infringement of a registered trade mark reads as follows:

“Subject to this section and sections ten and eleven a registered trade mark shall be infringed by any unauthorised use in the course of trade, whether as a trade mark or otherwise of a mark that is identical to the registered trade mark or so nearly resembling it as to be likely to deceive or cause confusion, where that mark is used in relation to the same goods or similar goods or services as those in respect of which the trade mark is registered. (The underlining is mine for emphasis). Broken down to its barest essence the section prohibits (i) unauthorised use of a mark identical to a registered trade mark or unregistered trade mark;

(ii) if the mark used is not identical to a registered trade mark or unregistered mark the use of such mark would be offensive if the mark so nearly resembles the registered trade mark as to be likely to deceive or cause confusion when,

(iii) the mark (registered or unregistered) is used in relation to the same goods or similar goods or services as those in respect of which the trade mark is registered.

(iv) the said offensive (unauthorised use) must be in the course of trade.

Is the respondent's trade mark identical to applicant's registered trade mark?”

As indicated herein above the respondent's trade mark is “Royal Sun” that is to say the mark is the words “Royal Sun” which extends to jams. Applicant's trade mark on the other hand is a representation or a design which can best be described as a rectangular bar partly merged into an inverted triangle like funnel at the tip of which are various fruits with the word Sun in capital letters on the face of the design where the rectangle merges into the triangular funnel and with the picture of the sun positioned below the letter U of the word Sun. The mark needs to be seen in order to be correctly appreciated. For this reason it is apparent that the parties' respective trademarks are far from identical neither does Respondent's mark so nearly resemble applicant's registered trade mark as to be likely to deceive. Clearly Applicant's mark is a design while respondent's mark are the words “Royal Sun”.

In terms of section 8 (1) of the Trade Marks Act the offending mark can either be identical to the registered trade mark or so nearly resemble a registered trade mark as to be

likely to deceive or cause confusion where that mark is used in relation to the same goods or serviced as those in respect of which the trade mark is registered. It is important therefore that the party complaining of infringement pleads its case carefully in order to demonstrate as to the manner of infringement. In *casu* the Applicant pleaded its cause in the declaration as follows:

(5) “The applicant registered its trade mark “Sun” word and device mark in class 29 under Number 1479/95 on the 10/10/1995 with respect to jams. Applicant has incorrectly pleaded its *causa* as there is no trade mark in respect of “sun” word independently of the representation. In fact certificate No. 1479/95 could not be clearer as it says-The Trade Mark shown above has been registered in PART A of the Register in the name of Cairns Foods Limited.....in class 29 under NO. 1479/95 as of 10th October 1995 in respect of jams. Clearly the Applicant’s registered trade mark is not and cannot be read or understood as the word Sun and the devise as if registered separately. It is for this reason that the trade mark is registered subject to the condition namely that the trade mark shall give no right to the exclusive use of the device of various fruits except the precise relation and association on the representation hereon. What was registered as a trademark therefore was the representation or device and not the word Sun.

It is a rule of pleading in cases instituted as court applications that the party instituting their case as a court application must make out fully its case in its founding papers and that new matters should not be raised in an answering affidavit see *Mangwiza v Zvimba N.O & Anor* 2000 (2) 489 SC 429 where SANDURA J.A. pointed out that it is well established that in application proceedings the cause of action should be fully set out in the founding affidavit, and that new matters should not be raised in an answering affidavit.

Respondent’s counsel was well within his right to criticise the applicant’s founding papers when he says in paragraphs 5-6 of his heads of argument-

5. “It is to be noted further that the allegation that the trademark is likely “to deceive or cause confusion” is not particularised in any way. At paragraph 11-13 the contention is made that mistakes apparently arose. The parties concerned are not named. The precise circumstances in which this is alleged to have occurred remains shrouded in uncertainty...

6 But the matter does not end there. In the answering papers applicant has sought to supplement its case contrary to the principles set out by our Supreme Court as quoted.”

It is clear that applicant is in error when it claims that the dispute between the parties relates to the infringement of the applicant's registered trademark "Sun" which was registered in 1995 with respect to the goods in class 29. It is a settled position that once a trade mark is registered it gives the registered owner of the trademark an exclusive right to use it concerning the goods for which it is registered-*Zimbabwe Gelatine P/L v Cairns Foods P/L* 2003 (1) ZLR 352. Put differently the purpose of registration of a trademark is that no other party should use the mark without the consent of the owner of the registered trade mark. While it is true that applicant registered a trade mark such trade mark is not the word "SUN" as contended by applicant in its heads of argument. Rather the registered trade mark as borne on certificate 1477/95 is a combination of the word SUN and a device and not the word Sun and device as if separately represented.

In light of the condition imposed at registration of the Applicant's trademark applicant has no right to the exclusive use of the device of various fruits except in the precise relation and association on the representation thereon. In the circumstances applicant has not established that Respondent has infringed its trade mark thus it has not made a case for the relief sought.

Passing off

Applicant in the alternative to the claim of infringement of the trade mark claimed damages for passing off. Passing off was defined by WESSELS CJ in *Policansly Brothers Ltd v L & H Policansly*. 1935 AD 89 at 97 as follows:

It is an action in tort and the tort consists of a representation by defendant that his business or goods or both are those of plaintiff. Roman Dutch Law was well acquainted with the general principle that a person cannot by imitating the name marks or denials of another who had acquired a reputation for his goods filch the former's trade.

The wrong known as passing-off consists in a representation by one person that his business (or merchandise as the case may be) is that of another or that it is associated with that of another, and in order to determine whether a representation amounts to a passing-off one enquires whether there is a reasonable likelihood that members of the public may be confused into believing that the business of the one is or is connected with that of another."

The *locus classicus* on passing-off is the definitive case of *F W Woolworth & Co (Zimbabwe) (Pvt) Ltd v The W Store & Another* 1998 2 ZLR 402 at 404 where the Zimbabwe Supreme Court set out the general principles in passing-off cases. The essence of an action for passing-off is to protect a business against misrepresentation of a particular kind namely that the business, goods or services of the representor is that of the plaintiff or is associated therewith. In other words it protects against deception as to a trade source or to a business

connection. Misrepresentations of this kind can be committed only in relation to a business that has good will or a drawing power. Goodwill has been described as the totality of attributes that lure or entice clients or potential clients to support a particular business.

It has been argued that the only component of good will of a business that can be damaged by means of a passing off is its reputation and it is for this reason that the first requirement for a successful passing-off action is proof the relevant reputation- Woolworths case *supra* at 405. A perusal of the applicant's founding papers does not disclose the particulars that are required to prove goodwill and a reputation.

The second element that applicant ought to prove is the requirement that the logos are so similar as to create confusion in the mind of the consumer. At this juncture it is necessary to look at the two logos side by side i.e. Annexure B to the applicant's founding affidavit and respondent's Annexure B.

The differences that are apparent in comparing the 2 logos are

- i) the wording and font are different
- ii) respondent's logo utilize lower case lettering which is capitalised whereas the applicant's logo is all in capital letters
- iii) applicant's logo has a picture of a sun below the word SUN whereas the respondent's logo has a crescent and a crown above the word "Royal"
- iv) Applicant's logo has a much smaller range of fruits while the respondent's logo has considerably more varied fruits depicted.
- v) respondent's logo has the following catch phrase "filled with sweet fruity flavour" yet applicant's logo has no such or similar catch phrase.
- vi) it is significant to note also that respondent's logo has respondent's name and address as well as ingredients which are clear distinguishing features which applicant's logo does not have.

Applicant attempted to bolster its case in the answering affidavit by pointing to a catalogue from a Mr Richards where the product has been misdescribed. Respondent objected to this in its heads of argument describing the attempt as "an unacceptable introduction of evidence through the back door which deprived respondent the opportunity to comment on same which respondent would have done had this evidence been introduced correctly through applicant's founding affidavit. For the foregoing reasons it is clear that the applicant has not been able to demonstrate any actionable passing-off. In the circumstances the applicant's claim

for damages for passing off cannot be sustained. Accordingly plaintiff's claims both in the main and in the alternative are hereby dismissed with costs.

B Matanga I P Attorneys, applicant's legal practitioners
Matizanadzo & Warhurst, respondent legal practitioners