

TANZANIA CIGARATTE COMPANY LIMITED VS BURUNDI TOBACCO COMPANY LIMITED  
ANOTHER [2005] C D M R 29 (Kimario, J.)

IN THE MATTER OF THE TRADE AND SERVICE MARKS ACT, NO.12 OF  
1986  
IN THE MATTER OF TRADE MARK NO. 21488, "SUPERMATCH" (WORD & DEVICE)  
IN CLASS 34 REGISTERED IN THE NAME OF BURUNDI TOBACCO COMPANY  
LIMITED  
BETWEEN  
TANZANIA CIGARATTE COMPANY LIMITED  
VERSUS  
BURUNDI TOBACCO COMPANY LIMITED  
AND  
MASTERMIND TOBACCO (TANZANIA) LIMITED

MISCELLANEOUS COMMERCIAL CAUSE NO. 7 OF 2004

Court: The High Court of Tanzania

Judge: Kimaro, J.

Date: 22<sup>nd</sup> July 2005

**Fly note:**

*Intellectual property law-application for rectification of the Register by removal of the trade mark-abandonment of trade mark-whether non-renewal amounts to abandonment- assignment of trade mark gratis between corporate bodies-validity in law*

*Civil Procedure and Practice- final submissions- its scope*

**Headnote:**

The Respondent had registered a trade mark in 1990 of which registration expired in 1997. The Respondent did not renew the registration up to 2003. The Applicant applied twice for registration of trade mark but the Registrar refused claiming that there is similarity of trade mark with that of the Respondent. In 2002, the Respondent purported to assign the trade mark to the interested party. The continued refusal by the Registrar to register the trade mark made the Applicant to prefer this application before the Court.

**Held:**

1. In establishing abandonment of a trade mark intention of the parties must be taken into account. Abandonment is a question of fact. The continued non-use of the trade mark within Tanzania for a long time indicates the intention of abandonment of the trade mark;
2. The assignment of trade mark between corporate bodies must be preceded by sufficient consideration. Any assignment of a trade mark at gratis between corporate persons is void.
3. The assignment of trade mark is compulsorily registrable at once with the Registrar of trade and service marks as well as Registrar of documents. Its non registration invalidates the assignment of the trade mark;
4. The renewal of registration of trade mark must be done before expiry of the period of registration. Where the registered proprietor fails to renew the registration, the Registrar must remove the trade mark from the register;
5. The renewal of registration of trademark must adhere to the procedure. Renewal of registration of trade mark without adherence to the required procedure makes it invalid. As such public officers must obey the law and follow the procedures laid down in discharging their responsibilities and protecting rights.

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6. The question of hardship is not relevant to the court in exercising its duty to protect the public and public interests in trade by keeping the register clean.
7. The final submissions must always be confined to pleadings, evidence and the law. It must be based on the evidence which was led during the trial.

Application granted with costs

**Case Information:**

**Statutes referred to:**

- i) *The Trade and Service Marks Act, 1986*
- ii) *The Trade and Service Marks Regulations 2000, GN No 40 of 2000;*
- iii) *The Registration of Documents Act, Cap 117 R.E. 2002.*

**Cases referred to:**

1. *Vidyarthi versus Ram Rakha* [1957] EA 527;
2. *James M. Kasuka versus George Humba*, Civil Application No. 2 of 1997 (High Court of Tanzania, Tabora) (Unreported);
3. *Re Marketing and Shipping* 1971 (2) A.L.P. Comm. 81;
4. *Appenteng Mensah and Company Limited versus Alpro Industrial Products Limited* 1971 (3) A.L.P. Comm. 39.

**Counsels for the Parties**

*Mr. Marando* for the Applicant

*Ms. Kasonda and Mr. Mrema* for the Respondent

JUDGMENT

**KIMARO, J.**

This is an application for rectification of the Register by removal of trade mark No. TM 21488 supermatch (word and device) in class 34. The trade mark was registered in the name of BURUNDI TOBACCO COMPANY LIMITED. BURUNDI TOBACCO COMPANY LTD (BTCL) is the respondent in this application.

The application has been filed by TANZANIA CIGARATTE COMPANY LIMITED (TCCL) under Sections 35 and 36 of the Trade and Service Marks Act, 1986 as well as Section 2(2) of the Judicature and Application of Laws Ordinance, Cap. 453. The application has been filed by way of Chamber Summons and by a statement because no specific procedure is provided for by the law in making an application for the orders applied for. The application has been filed by Marando, Mnyele & Co Advocates and it is Mr. Marando, Learned Advocate who entered appearances in most occasions. MASTER MIND TOBACCO (TANZANIA) LIMITED joined into the Proceedings as an Interested Party.

A brief statement about the applicant's case is that trade mark No. TM 21488 was registered on 18th December 1990 by the respondent. The respondent is a company registered in Burundi. The registration of the mark expired on 17th December 1997. Two applications made by the applicant requesting for the registration of the mark in their name were refused by the Registrar on ground of similarity of the mark to trade mark No TM21488.

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The applicant contends that although the respondent purported to assign the mark to the interested party on 14th October, 1997 the purported assignment is void and of no legal effect in law because of non-use and abandonment by the owner. It is contended by the applicant that there was no renewal of the registration of the mark within the period prescribed by the law. This is what has prompted the applicant to come before this court with this application.

The respondent and the interested party are represented by Mkono & Co Advocates and Ms Kasonda learned Advocate has been appearing, assisted by Mr. Mrema Learned Advocate. They contend that the applicant has no valid ground for making the application for the removal of trade mark No.21488 (word and device) from the register. The respondent and the interested party deny that the trade mark was not used and that it was abandoned. The respondent and the interested party further deny that the assignment is void and that it has no legal effect.

The opinion of the respondent and the third party is that these proceedings are vexatious, frivolous and have been initiated in bad faith by the applicant who has all along tried to grab the trade mark in an attempt to pre-empt the respondent and the interested party from competing with it in the Tanzanian cigarette market.

The application proceeded to a full trial. The Applicant's only witness Ms. Lucy Mandara gave full details of the applicant's two applications for registration of the trade mark supermatch with the Registrar of Trade Marks. The witness said the applications were made through the normal procedure by filling Form TM/2 and TM/3. The necessary fees were paid. Copies of the application were tendered in court and admitted as exhibit P1 and P 3 respectively.

The first application was filed on 15th April 2002. The Registrar of Trade Marks refused the application on the ground that it was similar to trade mark No.21488. The witness said she was discontented with the refusal and had to embark on a search. The search was made on 30/05/2002. A copy of the certificate of registration which the witness obtained following the search was tendered and admitted in court as exhibit P8. The results of the search were that trade mark No.21488 was registered in the name of the respondent on 18<sup>th</sup> December, 1990.

The results of the search made the applicant be aggrieved by the decision of the Registrar. The applicant filed appellate proceedings in this court. The proceedings ended against the applicant.

The applicant then submitted the second application (exhibit P3) to the Registrar of Trade Marks for registration of the same trade mark on 22/09/2003. The application was equally refused by the Registrar of Trade Mark. The ground for refusal this time was that it was similar to TM 21488SUPERMATCH in the name of BURUNDI TOBACCOCO. The reply by the Registrar was given on 9/10/2003.

The applicant was not satisfied and that is why this application was filed. The second reply by the Registrar was tendered and admitted in court as exhibit P4. The reasons why the applicant was not satisfied are;

*i) The initial validity of registration certificate of a trade mark is seven years.*

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- ii) *Since the certificate for trade mark No.21488 was issued on 18<sup>th</sup> December,1990 it expired on 17th December, 1997.*
- iii) *After expiration of the certificate, renewal had to be done within a prescribed period but that was not done.*
- iv) *The first application by the applicant was made on 15th April 2002.*
- v) *At the time PW1 made the search ( 30/05/2002) there was no application for renewal nor a receipt for payment of renewal fees; nor application for restoration of the mark, nor payment of fees for restoration*
- vi) *According to PW1' s opinion the mark had not been used and was abandoned . It had no owner and so the Registrar had no valid reasons for refusing the applicant's application for registration of the trade mark.*

PW1 tendered in court other documentary evidence to support the applicant's case. The certificate of registration of the trade mark in the name of the respondent was tendered and admitted in court as Exhibit P5. The authenticity of this document has been highly challenged by Mr. Marando. I will revert to it later. A letter dated 12th June 2002 from the Registrar of Trade Marks to the applicant informing her of the assignment of the trademark to the Interested Party was admitted as exhibit P6. Tax invoices and a packet of supermatch cigarettes were also tendered in court as exhibit P7 as proof that the applicant is already engaged in the production and distribution of supermatch cigarettes.

The respondent's and the interested party's key witness is Mr. Rajabu Katundu. He is the Managing Director of the Interested Party as well as the Resident Director representing a Foreign Director. He took time to explain the process which the Interested Party went through towards establishing itself as a manufacturer and seller of cigarettes. The process took five years. Various documents were tendered to support the establishment process. These are Certificate of Incentive from the Investment Centre (Exhibit R7 & R8), documents for registration with Tanzania Revenue Authority for Tax Payer Identification Number (TIN) and Value Added Tax (VAT) ( R8) and documents for acquisition of land for the construction of the factory for manufacture of cigarettes (R9).

In contest to the application made by the applicant, RW1 informed the court that the Interested Party is the owner of the trade mark in issue. He gave a historical background to the design of the trade mark. He said that the Interested Party acquired the trade mark from the respondent by an assignment. The deed of assignment was tendered and admitted in court as exhibit R2. RW1 also told the court that on 23rd October, 1996 the Interested Party made an application for registration of the trade mark with the Registrar of Trade Marks but the application is still pending with the Registrar of Traded Marks to date. A packet of super match used by Mastermind Tobacco South Africa was tendered by RW1 in court and was admitted as exhibit R4. According to the witnesses, supermatch cigarettes are manufactured in a number of African countries. Among them are Uganda, Kenya, Burundi and South Africa. It is also in the testimony of RW1 that the registration was renewed in the name of the Interested Party on 31st December 2003. The renewal certificate was tendered and admitted in court as exhibit R1 RW1's further testimony is that he worked as an employee of the Applicant from 1964. He started as the Company's Financial Director and rose to the position of the Managing Director. After privatization, he became the Deputy Chief Officer until his retirement in 1997. He said during the time he was working with the applicant the applicant had no strategy of owning supermatch trade mark but the brand was a great concern to the applicant because it was giving the applicant a lot of competition. He refuted claims of abandonment of the trade marks. He said it has been kept alive and a lot of

investment has gone in to ensure that there is production In Tanzania. His interest in fair trade.

Basically that was the evidence which was tendered by the respective parties in this application.

Given the nature of the application and the format used in the filing of the application, no issues were famed prior to the hearing of the application. What appears to emerge from the pleadings and the evidence which was given during the hearing of the application are the following issues.

- (i) Whether trade mark No 21488 super match word and device registered in the name of the respondent was not used in Tanzania and was abandoned.
- (ii) Whether the assignment of the trademark which took place between the respondent and the interested party is lawful.
- (iii) Whether there is a lawful renewal of the trade mark.
- (iv) Whether the Registrar had justification for refusing the applicant's application
- (v) To what remedies are the parties entitled to.

Before going to the issues, let me first direct my mind to a matter which was raised by Ms Kasonda in her final submissions.

This is the issue of service of the application to Registrar of Trade Marks. Ms Kasonda submitted in her final submissions that it was mandatory to serve the Registrar as that is what Regulation 97 of the Trade and Service Marks Regulations (GN40 of 2000) requires.

Apparently, this point was raised as a preliminary point of objection but it was overruled on the ground that service to the Registrar was a matter of fact to be proved by evidence. It was not a point which could be determined in a preliminary objection because it is not a point of law. The court having made that finding, the Respondents Counsel had to pursue this point when evidence was given by the witnesses. That would have given her the basis for addressing the court on this matter in her final submissions. Final submissions must always be confined to the pleadings, evidence and the law. This is supported by the decision of the Court of Appeal in *Vidyarthi V. Ram Rakha* (1957) EA 527. This is a Kenyan case where the Court of Appeal held that arguments on appeal had to be based on the pleadings. The appeal was dismissed because the appellant based his appeal on other matters not pleaded. Likewise, final submissions must be based on the evidence which was led during the trial.

The rational for bringing everything to the open is to avoid surprises. Civil litigations basically deal with private property. Every individual is entitled to have full knowledge on whatever action is likely to be taken against his/her private property and the reasons. Mr. Marando did submit, and I entirely agree with him that service to the Registrar under Rule 97 is a way of implementing the Registrar's right to be heard under Section 52 (1) of the Trade and Service Marks Act, 1986. Since Mr. Marando has shown the Court that the Registrar was served, the complaint by Ms Kasonda looses base. If the Registrar was served but she opted not to enter appearance so that she can be heard, the court can only assume that the Registrar did not see the importance of making appearance in court. It could be that she has no interest, otherwise she would have entered appearance to protect whatever interest she has in the matter.

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Having expressed the opinion of this court on the complaint on the service to the Registrar, let me go back to the issues framed.

The first limb of the first issue is non- use of the trademark No. 21488. I commend the advocates for their input in this application. Their submissions reflect the time devoted on researching for materials necessary to be presented before this court and they have been very helpful to me. The evidence on record fully supports the fact that the trade mark was never used in Tanzania by either the respondent or the interested party since its registration until the expiration of the initial period of registration (seven years). This has remained to be the position up to today. Although the trade mark was first registered in Tanzania in 1990, there was no production of super match cigarettes in Tanzania by the respondent for the whole period of its registration.

In RW 1's own evidence, Mastermind Tobacco (Tanzania) Company completed the construction of its factory in 2004. It has never imported or distributed or sold supermatch cigarettes in Tanzania. RW1 admitted that even exhibit P4 which is a packet of supermatch cigarettes has no connection with Mastermind Tobacco (Tanzania) Company nor Burundi Tobacco Company. RW1 admitted that the supermatch cigarettes which penetrated the market in Tanzania came from outside Tanzania. This evidence is corroborated by RW2 and RW3 who are cigarette smokers. They told the court that the cigarettes they smoked came from outside Tanzania. Even the Newsletter which was tendered in Court as exhibit R5 is that of Mastermind Kenya and has no connection with Tanzania. The evidence is therefore abundant that the mark has not been used in Tanzania. To support evidence of use Mr. Marando made reference to Halsbury's laws of England 4th Edition Vol.48 at paragraph 81 which says:-

- " A person uses a sign if in particular he;
- (i) Affixes it to goods or the packaging thereof
  - (ii) Offers or exposes goods for sale, puts them on the market or stocks them for purposes under the sign, or offers or supplies services under the sign,
  - (iii) Imports or exports goods under the signs or.
  - (iv) Uses the sign or business papers or in advertising.

As already stated, neither the respondent nor the interested party led evidence which meet the legal requirement given above. The Respondent and the interested party attempted to rely on the use of the trade mark by other companies out of Tanzania. I do not think that this can be helpful to them. In order for a party to protect a mark in Tanzania, there must be proof of use of the trade mark in Tanzania (Section 30).

Mr. Marando quoted from Fifty years Digest 19011050 Vol XIII at page 2433 where a similar question arose in India and it was stated that;

*In respect of rights in trade marks and trade names any rights acquired by the parties in England have no legal effect on the rights of the parties in India. The rights of industrial property in India are governed by the laws of India and are in no way affected by the laws of England or by action for the parties"*

The same position is applicable in Tanzania. The rights acquired by parties in other companies outside Tanzania have no legal effects on the rights of such companies in

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Tanzania. The situation in Tanzania is very clear. There has never been use of the trade mark by the respondent and the interest party.

The second limb of the first issue is abandonment. Mr. Marando submitted that abandonment is reflected in two instances.

- (i) The proprietors' registration in 1990 and failure to use the trade mark for the whole period of the initial validity of the registration.
- (ii) Proprietor's failure to renew the mark during the time prescribed by the law.

Mr. Marando relied on American book CORPUS JURIS SECUNDUM VOL87 to show instance of abandonment.

*" The title to a trade mark or trade name ... may be lost by abandonment of such use ... An actual intention permanently to give up the use of a trade name or mark is necessary to constitute an abandonment of it. Abandonment requires the concurrence of both an intention to abandon and an act or omission by which such intention is carried into effect. Abandonment must be voluntary .... Despite the fact that abandonment depends in large part on intention of the parties, an ineffective attempt to assign a trade mark ordinarily results in an abandonment"*

Mr. Marando said the failure to use the mark for all the time it remained registered, and failure to renew its registration for more than half decade after expiration of the said registration, are both omission of the intention of the proprietor to abandon the mark.

Another instance of abandonment is quoted below, also from the same book under sub head" non - use"

*"Non-use of a trade mark is not itself an abandonment thereof however where intention to abandon is shown by other circumstance and conditions, non-use is a sufficient act of relinquishment and effectuates the abandonment. A long continued disuse may be sufficient to show abandonment"*

Mr. Marando said there is a continued period of non- use for seven years of valid registration and an added continued non- use for more than half a decade after expiration of the registration. At page 519 the authors continue to say that:

*" Abandonment presupposes the ownership of trade marks which can exist only in connection with some business using them, if there is no existing business, or no intent to commence some activity using such rights, the owner abandons his right because of no-use in an existing business".*

Mr. Marando made reference to the evidence of RW1 that the respondent never commenced business in supermatch in Tanzania because of high tariffs. It was only when the registration was about to expire that the Respondent made an attempt to assign the mark to the interested party. He concluded that it was an abandonment of the mark.

In her submission Ms Kasonda relied mostly on the manufacture of supermatch cigarettes in other countries and the fact that the Respondent and the interested are still on tobacco business as being a reflection of their intention of not abandoning the trademark.

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I do agree with Ms Kasonda that to prove abandonment, one has to go to the intention of the parties mind. However, as correctly submitted by Mr. Marando, proof of abandonment is a question of fact determined from the facts. There is clear evidence of non-use of the trade mark from the period of registration till expiration. Even after the expiration there was also continued non-use for years. The long period of non-use of the trade mark shows intention of abandonment. The quotations from CORPUS JURIS SECUNDUM VOL 87 show instances of abandonment which fall squarely within the facts of this case. I will under the circumstances say that the mark was abandoned. The answer to the first issue is that trade mark No. 21488 supermatch word and device registered in the name of the Respondent was not used in Tanzania and was abandoned.

The next issue is on the legality of the assignment. In her final submissions Ms Kasonda relied on Regulations 57 and 59 of the Trade and Service Marks Regulations 2000 GN. 40. of 2000. She said it is the Registrar who has to decide after the inspection of the instrument, whether the instrument is valid or not. She said there is no room for a third party to challenge the validity of the assignment.

Her further submission is that the applicant is not competent to challenge the validity of the deed of assignment because it was signed in Burundi and notarised in Burundi. She cited Section 40 (4) of the Act which requires the Registrar to cause the particulars of the assignment to be entered into the register and concluded that this was done by the Registrar because the certificate of registration (exhibit P5) is endorsed at the back by the Registrar.

Mr. Marando on the other hand went deep down to discuss what is an assignment and the provisions of the law dealing with the same. Making reference to section 40 (6) of the Act, Mr. Marando said an assignment is a contract between the assignor and the assignee. He said this is reflected by the phrase "by and of the parties" in section 40 (6) and that is why the provision states that the assignor will give effectual receipts for any consideration for the assignment.

Reading through the deed of assignment itself (exhibit R2), Mr. Marando said that there was no consideration because exhibit R2 talks of consideration of gratis. Mr. Marando made reference to the Black's law Dictionary sixth Edition on the definition of gratis, "without reward or consideration", "done or received freely or gratuitously". As for the word gratuitous it is defined as "given or granted without valuable or legal consideration" Mr. Marando said the assignment is an agreement without consideration which under section 25 of the Law of Contract, Act Cap 433 is void. He again referred to the American book CORPUS JURIS SECUNDUM at page 513 which says that:-

*"As with contracts generally, agreements defining parties rights in trademarks and trade names must be based on consideration. Ordinarily, such an agreement having mutual premises and undertakings, is supported by good and sufficient consideration, but, in order for the promise to be sufficient, they must be valuable, and must impose legal liability on the persons making them".*

His conclusion on consideration is that there was no consideration. It was not made on account of love and affection because of the status of the parties involved. They are corporate bodies who are unnatural and heart less, hence no love and affection can flow from them. He said the document is not even stamped. It is not an assignment, which should be defended. Mr. Marando said the circumstances under which the assignment was made



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raises suspension of fraud and the Registrar should have made investigations under Section 37 of the Act.

Another argument raised by Mr. Marando to challenge the validity of the assignment is registration of the assignment. The argument here is two fold, registration with Registrar of documents under The Registration of Documents Act, Cap 117 and registration with the Registrar of Trade and Service Marks. Mr. Marando said the assignment was not registered with the Registrar of Documents as required by the Registration of Document Act, Cap 117. He said even if the assignment was registered under Cap.117, it would still be void because it was not registered at once with the Registrar of Trade and Service Marks. Mr. Marando referred to the note which is given at the back of the certificate for registration of the trade mark (exhibit P5).

The note reads as follows:

*Upon any change of ownership of this Trade Marks, or change in address, application should AT ONCE be made to the Registrar to register the change.*

He tried to look as the definition of the phrase "at once" In Concise Oxford Dictionary of Current English - It means.

- (i) Immediately
- (ii) Simultaneously.

In Black's law Dictionary, the phrase "at once" means

*In contracts of various kinds the phrase is construed as synonymous with "immediately and forthwith" where the subject matter is the giving of notice ..... contracts or statutes requiring the performance of a particular act "at once" are usually held to mean ... "within a reasonable time ".*

Looking at the date when the assignments is purported to have taken place (October 1997), and the time when the assignment is said to have been registered (2002), Mr. Marando said it was a delay which cannot be interpreted to be at once or within a reasonable time. Mr. Marando requested this court to interpret the phrase "at once" in line with the Law of Limitation Act, 1971 - part III paragraph 21 of the 1st Schedule which interprets the phrase "at once" to mean before expiry of sixty days. He fortified his argument by the decision of the Court of Appeal in *James M. Kasuka Vs George Humba*, Civil Application No 2 of 1997 (Tabora) Unreported) where the Court of Appeal held that a period of sixty days in considered proper and reasonable for filing applications in Civil matters.

Mr. Marando submitted further that although no sanction is imposed for failure to register title (Section 40), the assignee ends up in not being recognized as having title over the mark (Section 40(5)).

He again referred to *Halsbury's laws of England*, 4th Edition, Volume 48 at para 120 which also give the effect of failure to register a trade mark. A party cannot protect interest. Mr. Marando went further to rely on P. Narayanam, second Edition on *Intellectual Property Law* at page 156 where the author says that.;

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*Registration of assignment is necessary to establish title to the registered trade mark. A document or instrument which is not registered is not ordinarily admissible as evidence of title to the trade mark by assignment or transmission unless the Registrar or the court so directs.*

Mr. Marando concluded that the assignment cannot be treated as a document which confers title to the interested party.

In as far as the issue is concerned the evidence speaks loudly.

There was no consideration. The assignment itself shows that it was made gratis on an account of love and affection. But can love and affection flow from soulless unnatural corporate persons? It is only a person of an unsound mind who can give a yes to the question. The assignment is void because there was no consideration.

Mr. Marando gave detailed submission on the registration of assignment and the time when registration is required to take place. I do agree that his submission reflects the position of the law. Since a finding has already been made that the assignment is not valid, I do not see the necessity of venturing into the registration. It suffices to say that even if the assignment was valid, the interested party would have suffered the consequences of non-registration. The interested party cannot protect any interest under the assignment. The assignment was not registered with Registrar of Documents and the registration purported to have been made by the Registrar of Trade and Service Marks is questionable.

The issue which follows is the renewal made by the Registrar.

Ms. Kasonda defended the move taken by the Registrar. She supported the action taken by saying that Regulation 54 confers discretion on the Registrar to renew a trade mark after expiration of the prescribed period of its validity. Ms Kasonda said the Registrar used her discretion to issue a renewal certificate. The renewal certificate was tendered and admitted in Court as exhibit R1. Ms Kasonda's opinion is that

*The certificate of renewal and registration certificate tendered as exhibit D are by virtue of section 51 (1) of the Act, valid and concrete evidence that the trade mark was properly renewed.*

Ms Kasonda cited section 51 (1) in full to show that where a trade or service mark is registered, it is a prima-facie evidence of the validity of the original registration and all the subsequent assignments and transmissions thereof.

Regulation 55 was again quoted to show that the Registrar has discretion to remove a trade mark from the register after expiration of its validity and also to restore the same if the Registrar is satisfied that it is just to do so. Ms Kasonda referred to the time when the renewal was made (31st December 2003) and argued that there was nothing to prevent the Registrar from renewing the mark and issuing a certified copy of the certificate of registration reflecting the assignment. She said that much as section 29 (5) appears to give a grace period of one year, there is no provision in the Act which restricts the discretion of the Registrar to renew the registration after expiration of the grace period.

In his submissions, Mr. Marando said that the basic provision dealing with renewal is section 29 and not sections 50, 54 and 55 which were quoted by Ms. Kasonda. He said

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section 29 (2) prescribed the period for renewal and the preconditions for the grant of renewal. The pre-condition for renewal are:

- (i) *Submission of a statement of confirmation of use of the trade mark in Tanzania for the goods and services described in the registration certificate at any time during the three years immediately preceding the expiration of the last registration together with a reproduction of the trade mark which has been used (section 29 (2))*
- (ii) *Special circumstances which prevented the use of the marks (section 29 (2)(b)).*

Mr. Marando said there is no evidence to prove compliance with the two conditions given above. He said the evidence which was given by RW1 that the Respondent failed to use the trade mark because of high tariffs is a mere assertion. He said Regulation 51 provides for the limitation period. Renewal fees must be paid three months before the expiration of the last registration and in this application it had to be paid three months before 17/12/97. There was no evidence of payment of the renewal fees. What is on record is evidence to show that the Registrar complied with Regulation 52 which requires her to notify the registered proprietor of impending expiration of the mark and necessity for renewal although non-action by the Registrar shall not affect the date of expiration. Evidence equally shows that the Registrar complied with Regulation 53 to send a second notice to remind the respondent of the expiration of the trade mark.

Mr. Marando said Regulation 54 requires the trade mark to be removed from the register one month after the expiration of the mark but that was not done and that is why this application was filed.

There is a grace period of one month after expiration for restoration of the mark. That has to be preceded by payment of renewal fee and restoration fee (Regulation 54). In terms of section 29 (5) there is a period of one year for the protection of the trade mark after expiration. After the lapse of one year, the expiration is total and absolute. Mr. Marando said after this period there is nothing to renew because the mark no longer belongs to the previous owner.

He cited Halsbury's laws for England 4th Edition Vol. 48 at paragraph 50 which gives the procedure for renewal. That is payment of renewal fees before expiration period together with filing appropriate forms. The effects of failure to renew is also given. The Registrar must remove the mark from the register.

He also cited American book of CORPUS JURIS SECUNDUM VOL.87 Section 164at page 487 which says that:-

*"The object of renewal is to make the record as nearly as possible of the actual rights. Renewal in no sense confers new rights, but is necessary for the purpose of negating abandonment of the mark. It is a correction of the records to the date of renewal by the Registrar or the owner of the mark, asserting his continued use of it, and therefore title to it."*

Mr. Marando continued with his submission by saying that failure to renew is evidence of abandonment and loss of title and that the discretion given to the Registrar's under Regulation 54 is restricted to only one month from the date of expiration of registration. There is no other provision, which allows the Registrar to exercise that discretion beyond the

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prescribed period. His remark on section 50 is that it is irrelevant because it deals with validity or otherwise of the original registration which is not an issue in this application. The issue in this application is that the validity of the registration of the trademark expired on 17/12/97 but it was not renewed within the prescribed period. He said that the submission by Ms Kasonda that the Registrar has unfettered discretion to renew the trade mark even after the grace period has expired lacks support of the law because the guiding provisions are regulation 54 or section 29 (5) and there is no other provision which can be relied upon by the Registrar.

From the sequence of events which took place in this application there is no evidence to support lawful renewal of the trade mark by the Registrar. The procedure for renewal of the trade mark is given by the law and has been well expounded by Mr. Marando. Section 29(2) of the Act and regulation 54 are very clear. The preconditions to be met are also contained in the provisions. In the first place the interested party cannot rely on the assignment. The court has already held that it is void. Even assuming that it was valid, its registration was not done at once. I also have comments on Exhibit P5 which will be given at a later stage.

Secondly, the renewal procedure was not followed. There was no application for renewal and no payment of the renewal fees. (Regulation/Section 51). There is no evidence of submission of the pre-conditions for the renewal (Section)29 (2) (a) and 29 (2) (b)). The Registrar could only exercise discretion and allow renewal of the trade mark upon procedure being complied with. There is no provision in the Act or the Rules which suggests that the Registrar has unfettered discretion to allow renewal after expiration of the trade mark and the expiration of the grace period of one month. The various quotations from Halsbury's Laws of England and books on the renewal procedures support the position of our law in Tanzania. Our trade law was received from England. I will thus hold that the renewal of the trade marks was allowed by the Registrar without observing compliance with the procedure prescribed by the law. The renewal was done on 31st December 2003 while the registration expired on 17th December, 1997. There was no lawful renewal of the trade mark.

Another issue for consideration is whether the Registrar had justification for not considering the applicant's application. From the evidence on record, the remarks and observations made in respect of the preceding issues in this application, the answer is a straight forward No. The first reason which the Registrar gave was that the trade mark was similar to Trade Mark No. 21488 (Exhibit P2). This was on 19/04/2002. The second reason was that it was similar to trade mark TM 21488 supermatch in the name of Burundi Tobacco Company. This time it was on 9/10/2003. Both reasons were given while the trade mark had long expired on 17th December 1997 and the grace period of one year since expiration of registration had expired on 16th December, 1998. In the two documents Exhibit P2 and P4 it was not mentioned that the interested party was the owner. The assignment ( Exhibit R2) which is purported to have been executed by the Respondent and the interested Party is not a valid assignment. It is void for reasons already expressed above.

There is no consideration and it is not registered under the Registration of Documents Act, Cap 117. Even if it was a valid document, it had not been registered with the Registrar at the time the Registrar dealt with the Applicant's application. Even assuming that the registration was done, at the time the applicant made the first application, on 15th April, 2002 the validity of the registration of the trade mark had expired a long time ago and there

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was no renewal (Section 29 (5)). The circumstances as they stand, show that the Registrar had no reason for not considering the applicant's application. The reasons given by the Registrar shows misuse or abuse of power.

Before embarking on the issue of the reliefs to which the parties are entitled to, let me give my comments on exhibit P5. The court was told that it is a Certificate of Registration for trade mark supermatch issued to the Respondent. It was the Certificate supplied to Mr. Marando by the Respondent after issuing a notice to produce.

It purports to be a certified true copy of the origin. At the back it is endorsed that it was assigned to Mastermind Tobacco Tanzania Limited. After a thorough scrutiny of Exhibit P5, Mr. Marando saw that it was quite different from the copy of the certificate which was found in the records of the Registrar at the time the applicant made the search on 30/05/2002. Mr. Marando requested the court to rely on exhibit P8 and expunge exhibit P5 from records because exhibit P5 is not a true copy of exhibit P8. In her final submissions, Ms Kasonda submitted that public documents are proved by copies certified by Public Officers. This is the requirement of Sections 83, and 85 of the Law of Evidence Act, 1967. She blamed the applicant for producing exhibit P8 which is a photocopy of certificate of registration (saying that it was issued under a repealed law) to impeach a public document which has been issued and certified by a public officer under the provisions of the law.

Mr. Marando agreed with the procedure of proving public documents but said that the problem is that exhibit P5 does not fall within those provisions. Giving details of how exhibit P8 came in, he said that when he issued a notice to produce to the Respondent, he expected to get the original copy of exhibit P8. Contrary to his expectation, he got exhibit P5 which is not a true copy of the original certificate of registration. It is true that there are marked differences between exhibits P5 and P8. Exhibit P5 is not a true copy of exhibit P8. RW1 admitted this in his evidence. I find logic in Mr. Marando's submission that the Registrar should have certified its copy of the original certificate and not to certify a document which has marked differences with the copy (exhibit P8) which was found in their records at the time PW 1 conducted search. Mr. Marando said exhibit P5 is a document made purposely for this case. There is no way in which this court can disagree with Mr. Marando's view. He requested the court to rely on the Nigerian case of *IN re MARKETTING AND SHIPPING 1971 (2) A.L.P COMM.81* to reject exhibit P5 and expunge it from the evidence. In the Nigerian case the Court rejected a document after admitting the same because of disparities.

The Nigerian case is convincing but it is not an authority. However, I find it to be a good guide because the court found itself in a similar situation as in this case, given the sequence of events which occurred in this case there is no way in which I can be convinced otherwise than accepting Mr. Marando's suggestion that exhibit P5 was made deliberately for the purpose of this case. That was done at the expense of brushing aside the procedures laid down by the law. It is not the right way of discharging duties by Public Officers. Public officer should always discharge their duties by following the laid down procedures. Exhibit P5 is expunged from the evidence.

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In her submission, Ms Kasonda asked the court to consider the business interest of the Applicant and the interested party in the tobacco market. She said they are competitors in the tobacco market. Whereas the interested party has just started the business of tobacco production in Tanzania, the applicant has been having monopoly in the market and is hoarding a number of trade marks.

Mr. Marando's response is that Ms. Kasonda's sentiments should be ignored. He said in an application under Sections 35 and 36 there is no room for consideration of the commercial interests of the parties. He referred to a Ghanaian case of *APPENTENG MENSAH AND COMPANY LTD VS. ALPRO INDUSTRIAL PRODUCTS LIMITED* 1971(3) A.L.R COMM. 39 P.252 lines 30-38 where it was held as follows:-

"The question of hardship is however irrelevant to the duty of the court in protecting the public and public interests in trade by keeping the register clean..."

I consider the invitation made by Ms Kasonda dangerous one. If the court allows a party to benefit from a process which has been abused, public officers will continue to abuse their offices. I am persuaded by the decision of the Ghanaian case and make a call to Public Officers to obey the law and follow the procedures laid down in discharging their responsibilities as well as in protection of rights.

Lastly I come to the reliefs the parties are entitled to. Evidence is abundant that the registration of trademark expired and it was not renewed within the prescribed period. As stated earlier, the Registrar has no unfettered discretion to do whatever he/she likes. There are limitations of her discretion. She had no power to extend the renewal period after expiration of the grace period. The applicant's application is granted with costs.

**TANZANIA BREWERIES LIMITED  
VERSUS  
ABEL KISWIVI SANGA, ABEL KISWIVI SANGA t / a HAKIKA ENTERPRISES,  
AND UNYANGALA ENTERPRISES LIMITED  
COMMERCIAL CASE NO 61 OF 2004**

Court: The High Court of Tanzania  
Judge: Kimaro, J.  
Date: 26<sup>th</sup> August 2005

**Flynote**

*Civil Procedure and Practice- Awarding interest-how discretionary powers of the court should be exercised*

**Headnote**

The Court entered judgement for plaintiff for the principal sum upon admission by the defendants. The contention remained on the interest to be charged on the