



REPUBLIC OF KENYA

IN THE HIGH COURT OF KENYA AT NAIROBI

CIVIL CASE NO 559 OF 2002

BEIERSDORF EAST AFRICA LIMITEDPLAINTIFF

VERSUS

EMIRCHEM PRODUCTS LIMITED.....DEFENDANT

RULING

The plaintiff is a limited liability company incorporated in Germany and is the registered proprietor of Trademarks Numbers 32111 consisting of the word “NIVEA” registered in Class 3 (Schedule III) and 35422 consisting of the word “NIVEA Creme” registered in Class 3 (Schedule III). Under the two trademarks, the plaintiff manufactures and distributes soap, toilet powders, creams and oils for the skin, shampoos and preparations for the hair and has been selling such products worldwide under the said trademarks for many years. In Kenya, the products have been manufactured and sold by the plaintiff’s subsidiary, Beiersdorf East Africa Limited for many years.

One of the plaintiff’s products NIVEA Pure Petroleum Jelly is marketed in a rectangular jar container bearing a label comprising the word “NIVEA.” Immediately below the word “NIVEA” are the words ‘pure petroleum jelly’ in small letters, all in white with a dark blue background. According to the plaintiff, “NIVEA” has acquired immense goodwill and the reputation of NIVEA in Kenya is considerable and is recognized by its get-up.

The defendant is manufacturing and selling in Kenya a jelly known as NIVELIN pure petroleum jelly, which the plaintiff claims is so similar to the name NIVEA as to be an infringement of its trademark. The plaintiff further claims that the get-up of the jar in which the defendant markets NIVELIN is so designed as to pass-off the product as that of the plaintiff. The plaintiff also claims that the defendant is using exactly the same type face for the name as does the plaintiff.

On account of what is stated above the plaintiff contends that the defendant has wrongfully sold and passed-off skin care products not manufactured by the plaintiff as and for the skin care products of the plaintiff which said action has caused injury to the plaintiff’s reputation as well as loss and damage. The plaintiff has accordingly instituted this suit to prevent further injury by seeking the issuance of an appropriate injunction and also to recover damages for the loss and damage so suffered.

In a statement of defence filed in court on 21.6.2002 the defendant denies the plaintiff’s claim. In particular it denies that the name NIVELIN is similar to NIVEA or that it infringes the plaintiff’s trademark as alleged or at all and states that the name is distinct and is not associated with the plaintiff at all but is derived from two latin phrases. The defendant also denies that the get-up of the jar in which it markets NIVELIN is designed to pass-off the product as alleged or at all and denies using the same type face for the name as alleged or at all.

The defendant further states that its products are packaged, labeled and marketed in distinct containers which clearly indicate the source of the goods and that it uses cylindrical containers with a distinct get-up in which the brand name and manufacturer are displayed prominently with lids which are of a distinct make and colour.

Finally, the defendant states that the get-up of its products is different from the plaintiff's and have a different colour of the type face and stands out as the defendant's due to its distinctiveness and denies that it has wrongfully sold or passed-off any skin care products as those of the plaintiff.

After filing the plaint, the plaintiff lodged a Chamber Summons application under O.39 Rule 1 and 2 of the Civil Procedure Rules for an injunction in the following terms: -

"1. An interim injunction do issue to restrain the defendant whether by itself, its directors, officers, servants or agents or any of them, that is to say (from) manufacturing, selling, supplying or distributing a skin care product under the name NIVELIN or any colours by similar name and/or which is confusingly similar in get up to the skin care products manufactured by the plaintiff under the trade mark NIVEA until this suit is heard and determined."

The application is based on grounds similar to the claims by the plaintiff stated above. Similarly, the defendant's response to the application follows the position detailed in the defence briefly summarized above and takes the form of (a) grounds of opposition stating, *inter alia*, that: -

"1. There are no grounds to justify the grant of the orders sought;
2. There is no *prima facie* case with a probability of success;
3. The application has been made *mala fide*; and
4. The application lacks merit and is bad in law."

and (b) a replying affidavit sworn by Mr. Peter Otieno in which he generally repeats what is stated in the defence.

Before turning to consider the merits of the application, it may be appropriate at this stage to make a few observations. Firstly, the affidavits in support of the application have been sworn by the plaintiff's Corporate Director (Taxation Department), Mr. M. Blau and Corporate Director (Legal Department), Mr. J. Muller-Sountag. Apart from verifying the obvious and uncontested statements made above, the two directors depone that the reputation of NIVEA in Kenya is considerable and that NIVEA products are recognizable by the get-up. And according to the two directors, that reputation springs from NIVEA's long presence in the Kenyan market and vigorous advertisements and promotion campaigns that the plaintiff and its agents have done for many years. Copies of the advertising and promotional materials since 1970's are annexed to the affidavit in support of the application. The two directors go on to state: -

"5. NIVEA petroleum jelly is marked in a rectangular jar container bearing a highly distinctive label comprising the word NIVEA and immediately below the words "pure petroleum jelly" in small letters and all in white in a dark blue background.

6. In October, 2001, the plaintiff's agents purchased in various supermarkets in Kenya NIVELIN petroleum jelly packed in jars and in sizes similar to those manufactured by the plaintiff.

7. From the label on the jar, it was clear the NIVELIN petroleum jelly is manufactured, sold and/or distributed by the defendant.

(8) (a) The NIVELIN is so similar to the name NIVEA as to be an infringement of the Plaintiff's trade mark.

(b) Upon examination of NIVELIN petroleum jelly it is clear that: -

(i) The defendant's mark NIVELIN is so similar to the plaintiff's mark NIVEA as to be an attempt to pass off its products as those of the plaintiff; the same type-face being used for

the word as the plaintiff uses.
(ii) The colours of the label of the NIVELIN jar are (the) white and dark blue colours of the label of the NIVEA jar.
(iii) On the NIVELIN label directly below the word NIVELIN are written the words “pure petroleum jelly, smooth skin.”

On the NIVEA label are the words “pure petroleum jelly, healthy skin” written and placed in the same position. The type face is the same as the plaintiff’s products.”

And in a further affidavit sworn by Mary Gatumbi, an advocate of this court employed by Hamilton Harrison & Mathews who have the conduct of certain proceedings involving both parties before the Kenya Industrial Property Office in respect of the defendant’s application for registration of its mark, it is deponed that the Defendant’s Managing Director, Mr. Peter Otieno, was working for the plaintiff as its production manager from 1.4.1995 till he left after giving a three month’s notice of termination of his services with the plaintiff dated 27.3.2000.

The plaintiff’s application is based on two major grounds, namely, an alleged infringement of the plaintiff’s registered trade mark NIVEA and passing off. This being an interlocutory application, it would be premature for me to conclusively determine the two issues that being a matter for the trial judge to decide after hearing oral evidence thereon. As I understand it, all I have to decide is whether the plaintiff’s suit has a reasonable probability of success.

The tests to be applied in the exercise of this type of judicial discretion are now well settled and were clearly set out in the now famous case of *Giella v. Cassman Brown & Co. Ltd.* [1972] EA 358 where Spry V.P. stated:

“First an applicant must show a *prima facie* case with a probability of success. Secondly, an interlocutory injunction will not normally be granted unless the applicant might otherwise suffer irreparable injury which would not adequately be compensated by an award of damages. Thirdly, if the Court is in doubts, it will decide an application on the balance of convenience.”

In proceeding to determine the above issues I think I ought to mention that there are certain basic and undisputed facts in this matter which must be appreciated right at the outset and, at the bottom of which, lies, in my view, the resolution of the dispute between the parties herein.

Firstly, it cannot be reasonably disputed that the plaintiff is and has been for many years the registered proprietor of the trade marks consisting of the word “NIVEA” and “NIVEA Crème” under which it manufactures, sells and distributes perfumed soap, toilet products, creams and oils for skin, shampoos and preparations for hair. It has also for many years, been manufacturing and selling in this country, under the same trade mark petroleum jelly.

Although the defendant denies it, it is obvious from the material annexed to the supporting affidavits that from 1971 up to date the plaintiff has been advertising its range of products under the trade mark “NIVEA” and “NIVEA Crème” and by virtue thereof must have acquired considerable goodwill.

By virtue of Section 7 of the Trade Marks Act, the registration of a person as the proprietor of a Trade Mark gives that person the –

“exclusive right to the use of the trade mark in relation to the goods or in connection with the provision of any services and without prejudice to the generality of the foregoing that right is infringed by any person who, not being the proprietor of the trade mark uses a mark identical with or so nearly resembling it as to be likely to deceive or cause confusion in the course of trade or in connection with the provision of any services in respect of which it is registered.”

The section means and implies that a proprietor of the trade mark has the exclusive user of the mark and any person who wishes to use it has to do so with a license from the proprietor.

Turning now to the names of the two products, I must observe that I find the similarities and resemblance in the defendant's mark "NIVELIN" whose first two syllables are exactly the same as the first two syllables of the plaintiff's registered trade mark "NIVEA" are striking.

But apart from the names, other similarities which I note are: -

- "(a) The use by the defendant of the same type face as that used by the plaintiff on its products;
- (b) The use by the defendant on the label of the NIVELIN jar of colour white and dark blue which are also the colours of the label on the NIVEA jar;
- (c) The fact that on the NIVELIN label directly below the word NIVELIN are written the words "pure petroleum jelly, smooth skin" which appears to be an exact imitation of the similar words in the same position namely "pure petroleum jelly, healthy skin"

in the NIVEA label.

Though the defendant answers the above complaint by stating that because the plaintiff engages in massive advertising, consumers know that "NIVELIN" is not one of the plaintiff's products and in any case, the get up on the jar in which the defendant markets NIVELIN petroleum jelly is cylindrical while that of NIVEA is in a rectangular jar container, there is, in my view, sufficient similarity in the two packages as to probably cause confusion to consumers particularly when it is appreciated that the defendant, a new entrant in the market, had the freedom to choose any other name it may have fancied. It is therefore probable that the choice of a name which bore such a striking similarity to the plaintiff's trade mark "NIVEA" was not accidental. This view is reinforced by the fact that the defendant's managing director was formerly the plaintiff's production manager, a position he resigned from prior to setting up the defendant company without giving any good reason for his departure from the plaintiff company.

Though it is recognized that in this branch of law, reference to other cases is not of much assistance (See *Reckit & Colman Properties Ltd. V. Borden In.* (1990) 1 WLR 491) and each case must ultimately be decided on the basis of its own peculiar facts, the law on the subject of passing off is clear and settled. It was summarized in the case of *Reckit* (above) as follows: -

"First, (the plaintiff) must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with identifying "get-up". Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. Thirdly, he must demonstrate that he suffers or, in a *quia timet* action, that he 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."

In the case of *Parke Davis & Co. Ltd. V. Opa Pharmacy Ltd.* [1961] EA 556 the facts were almost similar to those of the instant case. They were that the appellant –

"had for twenty-eight years sold in East Africa tubes of ointment packed in distinctive cartons under the registered trade name "Capsolin". In 1955 the respondent company began selling a similar ointment under a registered trade name "Capsopa". In 1959 the appellant company sued claiming an injunction to restrain the respondent company from passing off its product as that of the appellant company and damages or an account of profits made. The trial judge dismissed the suit finding *inter alia* that there was no evidence of confusion among the public despite the concurrent sale of the two products and that "Capsopa" was not likely to be confused with "Capsolin". On appeal **Held:** Since the first two syllables in the trade Name used by each of the parties were Identical and there were resemblances in the containers there was a real probability of confusion and the appellant company was entitled to an injunction."

In his submissions in opposition to the application, Mr. Oyiembo sought to rely on the case of *Cut Tobacco v. B.A.T.* (Court of Appeal Civil Appeal No. 126 of 2000) but in my view the facts of that case were different from those of the instant case in that the names of the products in question ‘Horseman and Sportsman’ were not only different but, also, in the High Court there was a finding the plaintiff had acquiesced in the use of the name complained of.

In the instant case the plaintiff did not acquiesce in the use of the trade mark “NIVELIN”; on the contrary, it immediately lodged a complaint with the Kenya Industrial Property Office, which said complaint is now the subject of legal proceedings in that office.

But apart from the above, there are other resemblances by way of colours and type-face in the jars used by the defendant in the product complained of as detailed above. However, the most crucial factor in my own assessment is the fact that the first two syllables of the defendant’s mark “NIVELIN” are exactly the same as those of the plaintiff’s “NIVEA.” All those matters when taken together constitute not only a probable infringement of the plaintiff’s trademarks but also raise a real probability of confusion to customers. Such confusion is by reason of the nature of the plaintiff’s business, likely to cause irreparable damage to the plaintiff, which would not adequately be compensated by an award of damages. In those circumstances, the plaintiff is entitled to an injunction in the terms sought in the application.

For the above reasons, the application is allowed and an injunction granted in the terms stated above. The defendant will bear the plaintiff’s costs of the application.

Dated and delivered at Nairobi this 5th day of September, 2002

T. MBALUTO

JUDGE