REPUBLIC OF KENYA

IN THE HIGH COURT AT NAIROBI

CIVIL CASE NO 746 OF 1998

PHARMACEUTICAL MANUFACTURING CO ……. PLAINTIFF

VERSUS

NOVELTY MANUFACTURING LTD…….…….. DEFENDANT

JUDGMENT

The plaintiff has in a plaint filed in court on 19th November, 1998 initiated an action for infringement of its trade mark and passing off against the defendant. The allegations underpinning the action are contained in paragraphs 3 – 14 of the plaint which state as follows:

"3. The plaintiff is and was at all material times the registered proprietor of the trade mark number 25979 registered on 5.10.1979 consisting of the word "Trihistamin" registered in class 5 (Schedule III) in respect of pharmaceutical and veterinary substances and of the trade mark number 41768 for the same word and in the same class registered on 20.6.95.

4. The registration set out in paragraph 3 is and was at all material times valid and subsisting.

5. The plaintiff manufactures and distributes products including "Trihistamin" in the form of a syrup.

6. The product "Trihistamin" is a cough and cold syrup which has been marketed in Kenya in its present form since 1994. It has been actively and extensively promoted since its launch and has become widely known by the public.

7."Trihistamin" syrup is marketed in a pink pack bearing a highly distinctive lable comprising the word "Trihistamin" on a red background and the picture of a young girl at the middle on alight background. The pink colour is dominant upon the pack design.

8. The reputation of "Trihistamin" in Kenya is considerable and the product is recognizable and is recognized by its get-up as aforesaid.

9. The defendant is manufacturing and selling in Kenya pharmaceutical product known as "Tri-histina" expectorant.

10. The name "Tri-histina" so similar to the name "Trihistamin" as to be an infringment of the plaintiff's trade mark.

11. Furthermore the get-up of the pack in which the defendant markets "Tri-histina" is designed so as to pass-off the product as that of the plaintiff.

12. The defendant has wrongfully sold and passed off pharmaceutical products not manufactured by the plaintiff as and for the pharmaceutical products. Particulars of Passing Off

(a) The mark "Tri-histina" is so similar to the plaintiff's mark as to be an attempt to pass off its product as that of the plaintiff.

(b) The logo on "Tri-histina" consists of a young girl at the middle of the pack of the same complexion as that one on "Trihistamin".

(c) The dominant colour featuring on the "Tri-histina" pack is pink which is also the dominant colour featuring on the "Trihistamin".

(d) On the "Tri-histina" pack directly below the picture of the young girl are written the words "An effective remedy for colds and coughs". On the "Trihistamin" packs are the words "Effective remedy for cough and cold" written and placed in the same position.

13. The said acts and conduct of the defendants were at all material times and are calculated to deceive and mislead the trade and the general public and to pass off the defendant's product as that of the plaintiff.

14. By reason of the matters aforesaid the plaintiff has been injured in their reputation and have suffered and will continue to suffer loss and damage. The plaintiff at the trial herein will seek to recover in respect of all the wrongful acts of the defendant, although unable at present to give particulars thereof."

The plaintiff is praying for the following relief:

"a) An injunction to restrain the defendant whether by itself, its directors, officers, servants or agents or any of them or otherwise howsoever from doing the following acts or any of them, that is to say manufacturing, selling supplying or distributing pharmaceutical product under the name Tri-histina or any colourably similar name and/or which is confusingly similar in get-up to the pharmaceutical products manufactured by the plaintiff under the trade mark "Trihistamin".

b) Destruction upon oath of all containers marked as set out in paragraph 12 of the plaint or of any further colourable imitation thereof and of any other representation thereof the use of which would be a breach of the first injunction prayed for and verification upon oath that the defendant no longer has in its possession custody or control of articles so marked.

c) An inquiry as to damages or at the plaintiff's option an account of profits and payment of all sums found due upon taking such enquiry or account.

d) Costs and interest."

The defendant filed a defence on 6.1.99. In the said defence, the defendant withholds comment on the contents of paragraphs 3, 4, 5, 6, 7 and 8 of the plaint and puts the plaintiff to their strict proof. Then it admits that it manufacturers an expectorant syrup containing three anti hystamin products for cough symptoms. After this admission, the defendant states its case in paragraph 5-9 of the defence. The said paragraphs read as follows:-

5. "The defendant states that the Tri-histina is not a product to be bought off the shelf as it contains Part 1 Poison as per the provisions of Pharmacy & Poisons Act (Cap 244 Laws of Kenya)

6. The defendant further contends that the product Trihistina can be sold only to pharmacy and to medical practitioners who in turn can sell or prescribe to the particular individual. The public cannot buy it in open market.

7. The defendant denies that the name "Tri-histina" is an infringement of the plaintiff's trade-mark as the

same is totally distinct to the same “Trihistamin”

8. The defendant states that it has manufactured and sold its product to hospital, medical practitioners and pharmacy since 1980 and has not designed and cannot design to pass off the same as that of the plaintiff to the aforesaid persons who have specialized knowledge in the field of medicine.

9. In view of the premises the defendant states that the product which is a Part I Poison is not capable of being sold and passed off as the product of the plaintiff and denies the averments made by paragraph 12 of the plaint as well as denies emphatically the particulars of passing off made therein.”

The defendant then denies paragraphs 13 and 14 of the plaint and places the strictest burden of proof thereof on the plaintiff. It rounds off with the averments that the plaint is misconceived in law and liable to be struck out. From the pleadings the plaintiff framed the following issues for trial.

1. Is the plaintiff the registered proprietor of the trade mark “Trihistamin”?

2. Does the plaintiff manufacture and distribute the product “Trihistamin”?

3. (a) Is “Trihistamin” a cough and cold syrup marketed in Kenya since 1972?

(b) Has it been extensively promoted since its launch to become widely known to the public?

(c) Is the reputation of “Trihistamin “ considerable in Kenya?

4. Is “Trihistamin” syrup marketed in a get up as set out in the plaint at paragraph 7?

5. Does defendant’s product infringe the plaintiff’s trademark?

6. Is the defendant’s product passed off as the plaintiff’s as alleged in the plaint at paragraph 12?

7. Are the acts of the defendant’s product passed off as the plaintiff’s as alleged in the plaint at paragraph 12?

8. If so, can it be sold to public in open market or to pharmacy and medical practioners?

9. Does the product Tri-histina contain Part 1 Poison under the Pharmacy and Poisons Act?”

I tried the action on 26th March, 2001. The plaintiff called two witnesses: Kumar Shah, a director of the company and Joseph Nzavi Kivunge, the medical representative of the company. Mr Shah testified that when he bought the company in 1988 one of the products it had was a registered trademark in “Trihistamin”. He produced the registration certificate as exhibit 1. The mark was registered for seven (7) years from 19.4.79 but was renewable. He testified that his product is a cough and cold syrup which should be available on prescription only but was sold across the counter in many pharmacies. He also testified that the defendant was selling a product called Tri-histina which was said to be a remedy for colds and coughs. He produced the packaging of the two products as exhibit 2. He further testified that after suit was filed the defendant changed its get up slightly by removing the inscription “An Effective Remedy for Colds and Coughs”. He said that the defendant’s product was cheaper than his by about 40% and that had an effect on their sales. The witness testified that he did not see any substantial difference between the two names and he considered the defendant was infringing his trade mark. He further testified that confusion of the two products was taking place because doctors write in short form Trihist on the prescription. Because of the price differential, the witness said, chemists have an incentive to stock the defendant’s product. There was on both packaging a young Asian girl and white panel with and inscription of “Effective Remedy for Cold and Coughs.”

On cross examination by Mr Mbaabu, counsel for the defendant, the witness said he had a formulae for his drug but no patent. He said he had no problem with somebody else manufacturing the same drug but

under a different name. He said the name of his product was derived from its composition of three antihistamins. The word “Tri” originally referred to the three anti hystamins. He said both products could lawfully only be sold through a prescription but did not agree that people cannot buy them a cross the counter. He testified that in this country a lot of medical products are sold across the counter without prescription in disregard of the law. In his view, if the law on dispensing of drugs was followed there would be no problem of confusion. He admitted that the trade mark registration produced as exhibit 1 had expired. He was not sure whether it was renewed.

Pressed further on the point, the witness stated they had another document showing the registration had been renewed but he did not know in which year. He admitted that when they bought the plaintiff company the packaging into 100 and 60 ml bottles was already in existence. Shown exhibit 2, the witness stated that the defendants original packaging has a distinctive deep green colour at the top but was otherwise like that product.

The other distinction is that it has the name of the defendant on it. He said they used to sell 60,000 – 80,000 bottles in the market but he had no statistics on sales after the introduction of the defendant’s product in the market. He nonetheless was of the view that with the introduction of a similar product, their turnover was bound to be affected.

Joseph Kivunge testified that he had been in the employment of the plaintiff company as medical representative for twelve years. His job involved going round pharmacies marketing the plaintiff’s products including Trihistamin. He became aware of the defendant’s product Trihistamin two to three years back. Although both products should be dispensed on prescription they are sometimes sold over the counter. The plaintiff’s product is more expensive. From his observations around the country, the sales of Trihistamin have dropped. On cross-examination by the plaintiff’s advocate, the witness maintained that he saw the defendant’s product around 1998. He was not aware that he defendant’s product had been in the market from the 1980’s.

The defendant called only one witness. Dhirajlai Shah, a pharmacist by profession and the director of the defendant company. In his evidence in chief, he testified he had been with the defendant company since its inception in 1980. They started manufacturing their product in the name of “Tri-histina” in early 1980’s. At that time, the plaintiff’s product “Trihistamin” was also in the market. At that time, their product was packaged in 5 litre bottles. He was not aware how plaintiff’s product was packaged. They added 60 and 100 ml bottles in early 1990’s. Exhibit 2 represented their original packaging as introduced in mid-1990’s when they started packaging their product in cartons. He identified the plaintiff’s original product and packaging as per the same exhibit 2. He could not tell whether the plaintiff’s product in this packaging entered the market before or after theirs. He introduced the packaging in exhibit 3 in 1998. His product is sold through prescription. It cannot be bought across the counter if the pharmacist is not present. He denied that it was possible for the two products to be confused as a result of doctors’ writing being illegible or in shorthand. That was because if writing was illegible or in shorthand and the pharmacist did not know what was prescribed, he should get in touch with the doctor and confirm the prescription. He was clear that there were no chances of deception in this particular drug. His product contains three anti-histamins. That is the bases of this first name of “Tri”. In his manufacturing and selling of his product, he has not intended to copy the plaintiff’s trade mark. He denied his product was cheaper than the plaintiff’s product by about 40%. His sales have been going down due to recession.

On cross-examination by Mr Lepelly, counsel for the plaintiff, the witness admitted that a recession does not prevent people from catching colds. He maintained that he did not copy the plaintiff’s product and if there were any similarities, that was pure coincidence. He stated that the manufacturing date of exhibit 2 was 1998.

After the conclusion of the evidence, the advocates made submissions. Mr Mbaabu for the defendant submitted that since the unchallenged evidence was that the defendant started manufacturing the product complained of in the 1980’s the plaintiff cannot now be heard to complain. Their acquiescence has denied them a proper case against the defendant.

It was also clear, he submitted that the trade mark expired after 7 years and the plaintiff could not base his claim on expired trade mark. As regards the passing off aspect of the action, counsel submitted that such an action could not be maintained in respect of prescription drugs. Flouting of the law by pharmacies and pharmacists cannot form the basis of a passing off action. He invited me to take judicial notice that pharmacists are trained persons and, accordingly, no confusion could be forthcoming. He also submitted that for the plaintiff to base its claim of passing off on certain names, the plaintiff must prove a proprietary right in such names. That was not done here. Moreover the Court was not told that the colour and entire packaging was registered. On the issue of name, he urged me to find that they are not similar. In his view, since the first three letters, "Tri" – means three and both the defendant and the plaintiff have confirmed their products contain three anti histamines, the Court should find that the words are used merely to identify what is contained in the product.

The product cannot be known by any other name. If the evidence were considered in its totality, there was neither an infringement of trade mark nor a passing off. Mr Lepelley, for his part, submitted that no issue was raised in the pleadings about the renewal of the trade mark and plaintiff had also pleaded a 1995 registration. He further submitted that the right claimed to be infringed is not an equitable but a legal right under the Trade Marks Act. In his view, the reasons for the original name have no effect on the registration. In his view the word Trihistina is an infringement of Trihistamin as it contains all letters except one and the first seven letters are in the same order. He relied on the case of *London Overseas Trading Co Ltd v The Raleigh Cycle Company Ltd* [1959] EA 1012 and Kerly : *Law of Trade Marks*, 12th Edition, 1986. As regards the passing off aspect,

Mr Lepelley submitted that the defendant had not stated when he started producing his 100ml bottles but the original one was in 1998. In his view, the new bottles must be later than that. He claimed that in the premises he had proved his case.

Mr Mbaabu submitted that the *Raleigh* case was distinguishable as the products in issue were generally available in the market and the pronunciation of the two names were also very close unlike the situation in the present case.

I now turn to a consideration of the issues for trial in light of the pleadings, evidence and submissions on record. It is clear from the statement of defence read out hereinabove that the defendant has not traversed or sufficiently traversed the allegations of fact made by the plaintiff in paragraphs 3, 4, 5, 6, 7 and 8 of the plaint. Accordingly, by dint of order VI rule 9 (1) and (3) of the Civil Procedure Rules, those allegations of fact are deemed to be admitted. Given that state of affairs, I am impelled to answer issue numbers (1), (2), (3) and (4) in the affirmative. As regards issue number 5, I accept the plaintiff's evidence that the words "Trihistamin" (which is the plaintiff's registered mark) and "Tri-histina" (which is the name of the defendant's product) are substantially similar. Indeed counsel for the plaintiff was able to point out that all letters except one in the names are the same and that the first seven letters are in the same order. Even the defendant's witness did not deny the similarity. I accordingly find that the defendant's name of its product, ie "Tri-histina" so nearly resembles the plaintiff's registered trade mark of "Tri-histamin" as to be likely to deceive or cause confusion in the course of trade in relation to pharmaceutical and medical preparations and substances in respect of which it is registered. It is a clear infringament of the plaintiff's trade mark. The only question is whether the defendant's professed want of intent to copy plaintiff's trade mark or the plaintiff's acquiescence in the defendant's use of the offending word for a long time affords any defences to the action. In my view, both of them don't. Registration of a trade mark confers the right to exclusively use the mark. Infringement of the trade mark is a tort of strict liability. Intention and motive are irrelevant considerations. And as the right is statutory one, acquiescence cannot constitute an estoppel or any other defence which the statute itself does not recognize. I accordingly find that the defendant has no defence to the plaintiff's claim for infringement of a registered trade mark. So issue number 5 is also answered in the affirmative

Issue number 6, 7, 8 and 9 can I think be dealt with together. They boil down to whether the defendant has been passing off his goods as those of the plaintiff. The evidence is equivocal on the issue. On the one hand, both the plaintiff's and the defendant's evidence is in agreement that the products in contention are not ordinary goods. They are prescription drugs which can only be lawfully prescribed by a qualified

medical practitioner and dispensed by a qualified pharmacist. On the other hand, there is divergence of evidence on whether the said drugs are sold across the counter. The plaintiff's two witnesses maintain they are but the defendant's only witness testified that they are not. These partisan witnesses all appeared sincere and none of them gave me cause to doubt their credibility.

The plaintiff did not call any patients or sick persons as witnesses to testify on whether in doing so they have purchased the drugs across the counter and whether in doing so they have been deceived or mislead by the products get up or packaging into purchasing the defendant's product as that of the plaintiff. In the absence of such evidence, it is unnecessary for me to express any view on my personal impression of the overall appearance of the get up of the two products. I think such impressions would only have been useful in my evaluation of the evidence of the consumers of the products in question. And of course it is out of question that a qualified pharmacist can dispense the defendant's product as that of the plaintiff. On my evaluation and consideration of the above state of evidence, I find that the plaintiff has not on a balance of probability proved that the defendant has passed of its "Tri-histina" cough expectorant as and for it's 'Trihistamin" syrup.

To summarise, the plaintiff succeeds in its trade mark infringement action but fails in its passing off action. The final question is what relief the Court should grant in view of the mixed success of the plaintiff. Obviously any relief or part thereof which was predicted on a successful passing off action is not now open. In the premises, there will be judgment for the plaintiff against the defendant for (a) an injunction to restrain the defendant whether by itself, its directors, officers, servants, or agents or any of them or otherwise howsoever from doing the following acts or any of them, that is to say, manufacturing, selling, supplying or distributing a pharmaceutical product under the name "Tri-histina" or any colourably similar name, and (b) an enquiry as to damages for the infringement by the defendant of the plaintiff's trade mark. As regards costs, both parties have partially succeeded. I think the just order to make in the circumstances is that each party should bear its own costs of the action. Those then are the orders of this Court.

Dated and delivered at Nairobi this 10th day of May, 2001

A.G. RINGERA

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JUDGE