REPUBLIC OF KENYA

IN THE HIGH COURT

AT NAIROBI

MILIMANI COMMERCIAL AND ADMIRALTY DIVISION

Civil Case 545 of 2009

GITHUNGURI DAIRY FARMERS CO-OPERATIVE SOCIETY LTD

VERSUS

SAMEER AGRICULTURE & LIVESTOCK (K) LTD [2009] eKLR

JUDGMENT

*induce in potential purchasers the belief that his goods were those of the rival trader. Although the cases up to the end of the century had been confined to the deceptive use of trade names, marks, letters or other indicia, the principle had been stated by Lord Langdale MR as early as 1842 as being: 'A man is not to sell his own goods under the pretence that they are the goods of another man …' (**Perry vs. Truefitt ((1842) 6 Beav 66 at 73**)). At the close of the century in **Reddaway vs. Banham**, it was said by Lord Herschell that what was protected by an action for passing off was not the proprietary right of the trader in the mark, name or get-up improperly used. Thus the door was opened to passing-off actions in which the misrepresentation took some other form than the deceptive use of trade names, marks, letter or other indicia; but as none of their Lordships committed themselves to identifying the legal nature of the right that was protected by a passing-off action it remained an action sui generis which lay for damage sustained or threatened in consequence of a misrepresentation of a particular kind."*

Halsbury's Laws of England Vol. 48, 4th Edition reissue succinctly summarizes at page 97 the three elements of the action for passing off: it must be established that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature; that there is misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to belief that goods or services offered by the defendant are goods or services of the plaintiff; and that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

The Court of Appeal of East Africa *(the predecessor of the Court of Appeal)* as far back as 1937 considered the above principles in a case of passing off in **The East African Tobacco Co. Limited vs. The Colonial Tobacco Co. Limited (1937) 4 EACA 6**. Recent cases where the courts have considered and applied the set principles in cases of passing off are **East African Industries Limited vs. Trufoods Limited [1972] EA 420** and **Cut Tobacco Kenya Ltd vs. British American Tobacco Limited [2001] KLR 36**. In the above case (**Cut Tobacco** case), the Court of Appeal cautioned courts to be careful when determining the alleged similarities in two get-ups that are the subject of the suit so as not to embarrass the court that would eventually try the case. The Court of Appeal held that, in interlocutory application, the courts must be cautious so as not to determine issues on interlocutory stage that would ideally be established by evidence on full trial. In the present application, this court has put in mind the principles cited above in reaching the determination that will henceforth become apparent.

Having evaluated the facts of this case and the applicable law, the following is the finding of this court. It is not in dispute that the plaintiff has used its get up in its flagship 500 ml packet for a period of over five (5) years. The said get up constitutes of broadly two colours i.e. green and a whitish colour. The get up constitutes of a photograph of two cows, one black and white cow and another which is brown and white. The two cows face each other. In the foreground is a green colour with the words '*so creamy*

so fresh'. In the background are three hills. The plaintiff's trade name '*FRESHA*' appears in bold at the middle of the packet. In the foreground of the get up is a whitish colour with a splash just below the words '*so creamy so fresh'*. Prior to changing its get up in March 2009, the defendant's get up in its 500 ml packet constituted broadly of two colours i.e. dark blue and light blue. The light blue colour is prominent and covers two-thirds of the packet. The words '*FRESH MILK'* appear in large print. The trade name of the defendant '*DAIMA*' appears on the upper side of the packet. There are two cows facing each other coloured white and blue. On the letter 'I' in the name '*DAIMA*' is a yellow circle with outward evenly spread waves. In the new get up of the defendant, the colours have been radically changed to broadly green and a whitish colour. In the middle of the get up of the packet is colour green. The words '*FRESH MILK'* appear in smaller prints than in the earlier get up. There are two cows facing each other which are of the colour black and white. In the background are three hills. The trade name of the defendant '*DAIMA*' appears near the top of the get up. There is a small orange circle with rays which appear like a rising sun. In the foreground is the whitish colour with a splash.

In considering whether the get up of the defendant has imitated the get up of the plaintiff as to cause confusion in the market, the court has to take into account the make up of the entire get up and not the minute details of the packet. In the present application, it was clear that prior to the change of its get up, the get up of the plaintiff and that of the defendant were distinct and distinguishable in the market. The new get up of the defendant has been designed so as to imitate the general get up colours of the plaintiff. In my considered opinion, it was not a coincidence the defendant chose to have colours similar to that of the plaintiff which is the leading milk vendor in Nairobi and its environs. Although the defendant fervently argued that its get up was completely different from that of the plaintiff by pointing on the distinguishing features of the two packets, it was clear to the court that the defendant designed its get up so as to mimic that of the plaintiff. To a casual consumer buying milk in a supermarket, the two get ups are easily confused. The defendant argued that the plaintiff had not established sufficient notoriety in the market to entitle it to lay claim on the get up. I am of contrary opinion.

The plaintiff did not achieve leadership in the milk vending market in Nairobi and its environs without investing heavily in advertisement of its products. Part of its advertisement involved promoting the get up of its flagship milk product. I hold that the plaintiff has established goodwill and reputation attached to its get up in the 500 ml milk packet that it constitutes a brand name easily recognizable in the market. It was clear to the court that the defendant's get up was designed in such a manner as to constitute a misrepresentation of the plaintiff's get up in the market. The colours and the features in the said get up are such that the public is likely to be misled to believe they are purchasing the plaintiff's milk product instead of that of the defendant or vice versa. The plaintiff has established that it has property in the get up that has an established notoriety in the market.

It is evident from the foregoing that the plaintiff has prima facie established the ingredients necessary to establish the tort of passing off. The plaintiff established that it has goodwill in the market that is attached to the packaging of its milk products. That goodwill is tied with the plaintiff's get up. As stated earlier in this ruling, the defendant's change of the get up of its milk packet in March 2009 was not by accident. It was deliberately designed so as to imitate the get up of the plaintiff. It is not by chance that the change of the defendant's get up coincided with the defendant's recruitment of two of the plaintiff's employees who used to market the plaintiff's milk products. I hold that the plaintiff has prima facie established that the defendant's get up has led or is likely to lead the public to believe that the milk products offered for sale by the defendant is that of the plaintiff. I further hold that the plaintiff is likely to suffer damage as a result of the apparent misrepresentation of its get up in the market.

In the premises therefore, I hold that the plaintiff has established a prima facie case to entitle the court to grant it the interlocutory injunction sought. The defendant is restrained in terms of prayers 3 & 5 of the plaintiff's application dated 30th July 2009 pending the hearing and determination of the suit. For avoidance of doubt, the defendant is ordered not to use the impugned get up to sell its milk products in the market pending the hearing and determination of the suit. The defendant shall be at liberty to redesign its get up so that it is completely distinct from that of the plaintiff. I decline to grant the mandatory orders sought by the plaintiff. The facts of this case do not warrant the court to grant the orders sought. The plaintiff shall have the costs of the application. It is so ordered.

DATED AT NAIROBI THIS 4TH DAY OF NOVEMBER, 2009.

L. KIMARU

JUDGE