

THE REPUBLIC OF UGANDA
IN THE HIGH COURT OF UGANDA HOLDEN AT KAMPALA
COMMERCIAL COURT DIVISION

HCT-00-CC-CS-0704-2006

SOCIETE BIC ANONVYEME DE DROIT FRANCAIS

PLAINTIFF

VERSUS

WENBARA TRADING COMPANY LTD
MUHAMED SSALI
EMMANUEL KALANA

DEFENDANTS

BEFORE: THE HONOURABLE MR. JUSTICE FMS EGONDA-NTENDE

JUDGMENT

1. The plaintiff was the registered proprietor of a trademark 'BIC' at all material times. Through an agent in the Republic of Kenya, M/s Haco Industries (K) Ltd, the plaintiff manufactures BIC pens in the Republic of Kenya for supply to Kenya and Uganda on the regional market. The plaintiff contends that the first defendant, in breach of the plaintiff's rights as the registered trademark owner for BIC, imported into Uganda 852 cartoons of counterfeit BIC pens from China described as writing plastic materials on the bill of lading.
2. On arrival and verification of the said consignment in Uganda, by Uganda Revenue Authority, it was found to contain pens marked as 'BIC' and 'Made in Kenya'. All the boxes purported to have a 'diamond logo' of the Kenya National Bureau of Standards, and the address of the maker on the boxes was that of Haco Industries (K) Ltd.
3. The plaintiff contends that the defendants, that is the importer as defendant no.1 and its directors, sued as defendants no.2 and 3, were infringing its trademark and the acts of infringement included, use of the plaintiff's trademark; importing and dealing in counterfeit pens using the same name 'Bic' thus misleading the public into believing that they are the plaintiff's 'Bic' pens; use of or imitating of the user's get-up, size and colour of the genuine 'Bic' pens; use of or imitating the user's labels or having labels bearing a

resemblance as that of the user; fraudulently causing the manufacture of the pens in China bearing the plaintiff's trademark and fraudulently causing the manufacture of the boxes bearing the user's colours and address plus the logo of the Kenya Bureau of Standards and causing the packing therein of the counterfeit pens with intent to deceive and mislead the public that the defendants were dealing in genuine pens made by the user.

4. The plaintiff contends that these actions of the defendant will cause great loss of reputation and consequent loss including loss of trade given the inferior nature of the product passed off by the plaintiff's 'Bic' pens for which the defendants shall be held liable. The plaintiff seeks a declaration that Bic trade mark is its exclusive property and that the defendants' dealing with this trademark is an infringement. The plaintiff further seeks an injunction to restrain the defendants from importing, selling, or offering for sale or is anyway dealing with Bic pens not of the plaintiff's manufacture.
5. The plaintiff seeks general damages and that the 852 cartons of counterfeit Bic pens delivered up for destruction. The plaintiff also seeks interest and costs of the suit.
6. The defendants were served with summons to file a defence and did not respond. The plaintiff set this suit down for hearing ex parte. Defendants were notified of the hearing date and did not show up. The trial proceeded in the defendants' absence.
7. The plaintiff called one witness. He was Mr. Antony Mburu, a director of Haco Industries Kenya Limited, who are the representatives of the plaintiff in East Africa. It is the licensed manufacturer of 'Bic' pens in the region, and it produces the same in Kenya. In Uganda and Tanzania, the company has user agreements with the plaintiff, allowing it to use the trademark in those countries.
8. PW1 tendered into evidence certificates showing that the plaintiff is the registered owner of the trademarks Numbers 4975 and 12583 registered with the Registrar of Trademarks in Uganda. Trademark no. 4975 is in respect of a word 'Bic' and in respect of writing instruments, office gum and ink.
9. He testified that on learning of the importation of the 852 cartons they obtained injunction against the defendants restraining them from taking possession of the infringing goods as they believed the said pens were counterfeits of the original trademark. Subsequently the defendant no. 2 and no. 3 approached the witness in Nairobi, Kenya and admitted that they had imported the said pens which had not been

manufactured by the plaintiff or its agents in Kenya. They proposed terms for settlement which the witness rejected.

10. He tendered in evidence one of the pens that were imported, and the box in which the pens were packed. The pens were imported from China and were sent to Uganda through the port of Mombasa. He also tendered into the evidence the pens that they produced in Kenya. He prayed that the plaintiff had suffered irreparable damage in their market share for which he sought compensation, delivery of the goods for destruction as well as costs of these proceedings.
11. I am satisfied that the case for trademark infringement has been made out. The 852 cartoons of pens imported by the defendant no.1 are marked with the plaintiff trademark and logo. The goods were clearly not made by the plaintiff or its authorised agents though the goods were held out to be made by the plaintiff's authorised agent. The plaintiff must succeed in its prayer that the said cartoons of counterfeit Bic pens be delivered up to the plaintiff for destruction. The importer of the goods was the defendant no.1 and though defendants no.2 and no.3 are directors of the defendant no.1, I am unable to see how this action can be maintained against them.
12. I note that none of the imported or counterfeit pens got on the market. I am unable to see how the plaintiff's market and good will could have suffered in the circumstances of this case.
13. The declaration sought is granted. The plaintiff is declared the lawful owner of the trademark 'Bic' in Uganda with exclusive rights to its use. An injunction shall issue against the defendant from further dealing in 'Bic' products.
14. I'm prepared to grant general damages to cover the inconvenience that must have been placed on the plaintiffs and their representatives once they discovered the infringement. The plaintiff and its authorised agent must have been put to great inconvenience. The agents are based in Kenya. The officials had to travel to and from Uganda on these matters prior to the institution of the suit. All that would have been unnecessary had the defendant no.1 not engaged in the conduct complained of.
15. I award to the plaintiff Shs.10,000,000.00 as general damages for inconvenience, and costs of the suit. The decretal amount shall bear interest at court rate from today until payment in full.

Dated, signed, and delivered this 4th day of June 2008

FMS Egonda-Ntende
Judge