

THE REPUBLIC OF UGANDA
IN THE HIGH COURT OF UGANDA AT KAMPALA
(COMMERCIAL COURT DIVISION)

HCCS NO. 194 OF 2013

5 BEIERDORF AG:..... PLAINTIFF

VERSUS

NEVIA CO. LTD :.....
DEFENDANT

BEFORE: THE HON. MR. JUSTICE DAVID K. WANGUTUSI.

10 RULING

15 The plaintiff Beierdorf Aktien gesellschaft, a company specialising in skin and beauty care, seeks court to restrain Nevia company Limited, referred to as the Defendant, from infringing the rights of the plaintiff acquired by registration of the plaintiff's trademarks , 1467, 2274, 24255, 27832, 29531, 29606 and 30839.

The plaintiff also prays that the court orders the defendant to desist from use of the trademark NEVIA and the trading name Nevia CompanyLimited.

The plaintiff further seeks damages and interest.

20 Farther the plaintiff seeks court to restrain the defendant by way of an injunction, from passing off its goods as being those of the plaintiff and to order the defendant to change their name and avoid use of the word NEVIA.

25 The background of the case is that the plaintiff has been in the skin and care manufacturing business for many years, more specifically in the production of NIVEA range of cosmetic and skincare products. There trade spreads worldwide, Uganda inclusive. That as an established trader he registered trademarks whose registration nos included 1467, 22744, 242552005, 29531,

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29606 and 30839 covering products like soaps, perfumery, essential oils, cosmetics, hair lotions, dentifrices, deodorants and antiperspirants.

5 The plaintiff stated that in 2012, it learnt that the defendant was using the mark NEVIA in respect of hand and body lotion prepared by them (Defendants). The defendants had also filed for the trademark 2011/44162.

Aggrieved the Plaintiff through their advocates wrote to the Defendants and demanded that they withdraw the application in respect of those trademarks.

10 The defendant approached Kanyeihamba and Co Advocates who wrote withdrawing the applications and communicated that "his client" would desist from such behaviour. The defendant is however said to have continued using the trademark and the NEVIA mark.

The plaintiff sued. When the matter came up for hearing, he applied for judgment basing it on admissions that Kanyeihamba and Co Advocates had made.

15 In reply Mr Nerima for the defendants submitted that M/S Kanyeihamba and Co Advocates never represented the defendants. He referred him to the pleadings and in particular paragraph 17 of the Written Statement Defence which reads;

20 *"It is admitted that the plaintiff filed trademark application no 2011/44162" for the NEVIA logo but the said application was erroneously treated as withdrawn by the registrar of trademarks who acted upon a purported letter of withdrawal from G. W Kanyeihamba and Co Advocates. The said Law firm were not lawful agents of the defendant and therefore had no instructions or mandate to purport to withdraw the defendant's application of NEVIA logo."*

30 The WSD in paragraph 18 added,

"The purported correspondences from G. W. Kanyeihamba and Co Advocates were without instructions and therefore not binding on the defendant."

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Counsel for the defendant further submitted that Professor Kanyeihamba as a relative took it upon himself to write undertaking on behalf of the defendant without consulting him and without getting instructions.

5 Counsel also submitted that in any case for admission to be considered, under order 13 rule 6 they must be made only after a suit has been filed.

On the issue whether Professor Kanyeihamba represented the defendants, the defendants denied ever instructing him to represent them. Counsel for the defendants submitted that it was an uncle/nephew relationship.

10 From this consultation seems to have emerged a chain of letters from the advocate and the Registrar Uganda Registration Service Bureau. To understand what status existed between Professor Kanyeihamba and the Defendant. One has to look at the sequence of events.

First it is not in doubt that advocates G W. Kanyeihamba and Co Advocates wrote letters claiming he was the representative of the defendants.

15 On the 9th March 2012 MMAKS Advocate, Counsel for the plaintiffs wrote to the defendants protesting what it referred to as an infringement of their trademarks and logo by the defendants. From the submission of counsel for the Defendant, this letter of protest was taken by them (defendants) to Advocate Kanyeihamba.

20 On the 16th April 2012 after he had been consulted by the defendants, Professor Kanyeihamba wrote to the registrar of trademarks. He informed him as follows,

"We act for Nevvia Company Limited of Uganda which was registered in 2001..."

25 He further wrote,

"In 2011, our clients wished to change their present trademark and logo to which Beiersdorf A.G. objected through their lawyers, Messrs MMAKS and Co. Advocates. With our advice for amicable understanding between the parties, our clients have agreed to withdraw Application no 2011/44162."

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He then undertook to inform all those concerned as follows;

5 *"Kindly inform us when the withdrawal of the said application is effected and recorded in your esteemed offices. We undertake to inform and serve all parties concerned about your communication regarding the matter." ExP12*

Still on the same day, G. W. Kanyeihamba and Co. Advocates wrote to the plaintiffs' Counsel appreciating the concern and objection to trademark application no 2011/44162. He wrote;

10 *"However, we have noted and appreciated your concern to and objection to trademark application no 2011/44162 for a new logo in class 3 and we have advised our clients who have agreed to withdraw the same application."*

They copied this letter to the directors of the defendant.

15 These events in my opinion took place with full knowledge of the defendants. I say so because G. W. Kanyeihamba copied them in when he wrote Exh P11 to the Plaintiffs' advocate assuring them of withdrawal of the application.

20 Furthermore, the consultation between G. W Kanyeihamba and Co Advocate with the defendants must have been more than just blood links because in his letter ExP15 of 25th May 2012 to plaintiff's counsel, G. W. Kanyeihamba and Co Advocates wrote;

"As you know we notified you earlier that we are the counsel for Nevvia Company Limited. Therefore we shall appreciate it if you addressed us on the above matter directly instead of our clients from now onwards."

25 He then made it clear that the defendants were aware of what was going on in these words;

"We have discussed the contents of your letter with our clients who have agreed to comply with your requests."

Lastly that the defendants were not in the dark that their affairs were in the hands of G. W. Kanyeihamba and Co Advocates, is seen in the letter of the

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registrar of trademarks Exh P18 dated 22nd October 2012, the relevant part reading;

5 *"In any case, without prejudice our office received your withdrawal notice from Kanyeihamba and Company Advocates withdrawing your trademark application (please see attached copy) and our office granted the withdrawal accordingly."*

10 The activities of Doctor G. W. Kanyeihamba were so involving, with multiple communication to and from both parties in the know and over a long stretch of time, without any apparent objection being raised against G. W. Kanyeihamba and Co Advocates, that it is difficult to believe that Counsel was acting without instructions.

The defendant did not only know that G. W. Kanyeihamba was acting for it, but its director had actually given instructions to G. W Kanyeihamba and Co Advocates.

15 Turning to the question whether the communications amounted to admission, I shall first deal with Counsel for defendants' submission that the communication could not have amounted to admission because it was made before the suit was filed. He submitted it would be wrong to admit a claim before a suit is instituted.

20 Order 13 Rule 6 of the civil procedure provides:

"Any party may at any stage of a suit where admission of facts has been made, either on the pleadings or otherwise, apply to the court for such judgment or order as upon the admission he/she may be entitled to, without waiting for the determination of any other question."

25 From the foregoing, I do not see anywhere it says for admissions to be made; there must be a suit first. What it emphasises is that the person seeking judgment based on admission does so at any stage of a subsisting suit.

30 The words "at any stage of a suit" are pegged on usage of the admissions, but not on the time the admissions are made. Counsel's submission that only admission made after filling the suit amount to admission is, I am afraid, without foundation.

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5 The next issue for consideration is whether the correspondence referred to were admissions. What are *admissions*? Admissions in my view as far as the law of evidence is concerned, are prior statements by an adverse party which can be admitted into evidence. Its objective is to enable the party to obtain a speedy judgment to the extent of the others' admission.

10 Admissions must be voluntary, and made under circumstances that are proper and lawful. The admissions can be the party's statement or statement in which the party has manifestly adopted or believed in its truthfulness. They are of facts and need not be on the pleadings. They may be in correspondences, letters and affidavits. They may even be oral, *Choitram v Nazari* [1984] KLR 327.

15 The fact that the rule uses the words "or otherwise" widens the gates of which might be admissions and this in my view includes letters and oral admissions. Through this rule a party is able to obtain judgment at any stage of the suit to the extent of admissions and may do so from time to time as the case progresses so long as admissions are made. Because of that one can enter more than one decree in the same case reflecting the judgments in admission entered at different stages.

20 But before the court can enter judgment under o13 r6, the admission must be clear, unambiguous, unconditional and unequivocal. The foregoing of course brings into play the discretionary hat of the court so that even where there is an unequivocal admission, but the passing of judgment would work injustice, judgment would not be entered.

25 Furthermore, where the issue raises complicated questions of law, passing of a judgement under order 13 rule 6 may occasion injustice.

In its prayer the Plaintiff sought court to restrain the defendant by way of an injunction from infringing the registered trademarks, 1467, 22744, 24255, 27832, 29531, 29606 and 30839. They also sought to restrain the defendant from use of the trademark NEVIA and the trading name NEVIA Company LTD.

30 They also sought an enquiry into the payment of damages and interest. And also an injunction from passing off its goods as those of the Plaintiff.

Furthermore that the Defendant alters its name and desist from using the word "NEVIA".

5 Right from 16th April 2012, the then advocate of the defendants acknowledged that there was a problem. In his letter Exp 11 while he said he saw no infringement, he wrote;

"however we have noted and appreciated your concern and objection in relation to trademark application no2011/44162 for a new logo class 3 and we have advised our clients who have agreed to withdraw the same application"

10 Record indicates that on the same day counsel for the defendants wrote to the Register of Trademarks withdrawing the application 2011/44162.

On the 20th June 2012 in Exh P 14, he again wrote to counsel for the Plaintiff communicating his clients position in these words;

15 *"Our clients have undertaken to comply with all your requests on behalf of your clients".*

Finally and what seemed to be the determining factor was the letter of 25th May 2012 Exh P15 by the Defendants' Counsel advocates of the plaintiff. It was a reply to a letter from the Plaintiffs Counsel protesting the infringement of his clients trademark and logo. Dr. Kanyeihamba in part wrote;

20 *"We have discussed the content of your letter with our clients who have agreed to comply with your request as follows. For mutual respect and avoidance of misunderstandings our clients have agreed to drop the use of the name NEVIA and your logo if any from all their products. Consequently none of your clients disclosed Trademark NEVIA will be used to label or represent their products any longer. They undertake not to allow, present or use your logo as to be confused with their own"*

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He wrote further;

"It follows that the products listed in your letter and named from 1.1 to 1.7 can no longer bear the name NEVIA"

He also wrote

"In relation to what you ask our clients to do on page 2 of your letter they will comply with 2.3"

5 He lastly wrote that the defendants were working hard and continuously to effect the necessary changes.

For the avoidance of doubt 1.1-1.7 included trademark registrations below;

1.1|No|467 NIVEA

1.2No 22744 NIVEA BODY logo

1.3No 24255 NIVEA Fair A face device

1.4No 27832 NIVEA CREAM

1.5No 29531 NEVIA DEODRANT logo

1.6No 29606 NIVEA VISAGE Label

1.7No 30839 NIVEA FOR MEN logo

15 As for 2.3, it was in respect of the use of the mark NEVIA or any other mark that was *"confusingly similar mark to the plaintiffs'clients NIVEA mark in the course of trade in relation to the goods covered by our clients NIVEA registration or any similar goods or services"*.

In its quest the duty to prove title to the trademarks fell upon the movant who in this case was the Plaintiff.

20 It was also upon it to prove that the trademarks and logo where beyond question valid and infringed. In this he did not have to labour much because the fact that the Plaintiff title was conceded to through the many letters from the defendants advocate

25 Also that the trademarks where infringed upon was also conceded to by the defendants through the same letters.

In its opposition to the Plaintiffs application the defendant steadfastly denied that they had made any admissions. They argued that there was no infringement. And that Dr Kanyeihamba was not advocate to them.

The defendants arguments that no admissions were made are unconvincing. Court already that Dr. G.W Kanyeihamba was a duly appointed advocate of the defendants and all the time he wrote those letters he was acting as such.

5 As the communication from G.W. Kanyeihamba quoted herein above shows, they were clear, unambiguous and unequivocal, explicit and open to no doubt that infringements had occurred and that they should be stopped.

10 Dr. D.W Kanyeihamba had no reservation in admitting that his client infringed on trademarks 1467, 22744, 24255, 27832, 29531, 29606 and 30839. He also unreservedly undertook on behalf of his clients to drop the use of the name NEVIA and the logo. Furthermore, he undertook on behalf of the defendants to desist using the NEVIA logo so as not to confuse their product with that of the plaintiffs. He also clearly in no uncertain terms undertook to comply with 2.3 of the letter which was to *"cease misrepresenting to the public that they were associated with the plaintiff through use of marks that are confusingly similar in respect of which the plaintiff's client had a reputation"*. These admissions are so clear, unambiguous, unequivocal and incapable of being interpreted otherwise than being admissions of infringement.

15 There is therefore no equitable consideration in this case that could offset the strong showing of the infringement occasioned by the defendants as concluded from their admissions.

20 For those reasons judgment on admission is entered for the Plaintiff as follows;

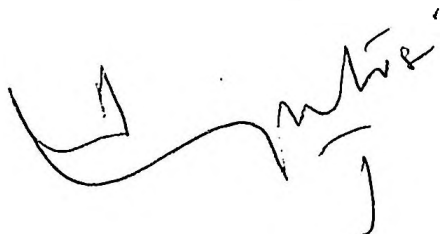
i, An injunction enjoining the defendants from infringing plaintiffs trademarks numbers 1467, 22744, 24255, 27832, 29531, 29606 and 308389 as in a, of the prayers.

25 ii, The defendant to cease use of trademark NEVIA.

iii, An injunction restraining the defendant from passing off its goods as those of the plaintiff, by using a confusing trademark.

iv, Costs of the suit

30 Judgment is entered in those terms. The rest of the prayers to be dealt with on a date to be fixed



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David Wangutusi

Judge

21/2/14 Mr. Nelson Benjamin Jerba
Defendant present.
Mr. Bwenge of the P.H. present.
Mr. Rose Eusera - co - clerk
Case finished delivered as requested
by Hon. Wangutusi
21/2/14