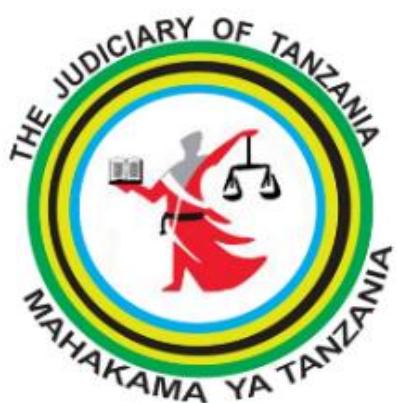


# Trademarks Training Materials

United Republic of Tanzania



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# 1. Introduction

- Trademark law may be seen to provide a balance between the interests of consumers on one hand and the interests of traders on the other.
- The **interest of consumers** lies in recognising a trademark as a badge of origin of goods and services and in avoiding confusion as to that origin.
- The **interest of traders** lies in protecting their goodwill in a trademark through the creation of a species of statutory property that is protected against infringement and is able to be sold or licensed.

## 1.1. What is a trademark?

- Any sign capable of **distinguishing** the goods or services of one undertaking from those of other undertakings.
- Examples: names, letters, numerals, drawings, pictures, shapes, colors, labels, or any combination of these.
- In most countries, taglines, advertising slogans and titles may also constitute trademarks.

## **Trade and Service Marks Act, 1986 Cap 326 R.E. 2002 (TSMA), Section 2**

“trade or service mark ”means any visible sign used or proposed to be used upon, in connection with or in relation to goods or services for the purpose of distinguishing in the course of trade or business the goods or services of a person from those of another.

## 1.1. What is a trademark?

- **Well-known marks** are trademarks that are considered as such by the competent authority of the country. Any type of trademark can become “well known” over time. Generally benefit from additional protection. The criteria to determine whether a mark is well-known may include the degree of knowledge or recognition of the mark by the relevant sector of the public, and the duration, extent and geographical area of any use or promotion of the mark, including advertising or publicity.
- **Service marks** distinguish the services of one enterprise from others. Services may be of any kind, such as banking, travel, and advertising. No legal difference with trademarks. Service marks are often referred to as trademarks for convenience, or because they are not recognized as such in some countries.
- **Non-traditional (or non-conventional) marks** are new types of marks that fall outside the conventional categories. They may include single color marks, three-dimensional marks (shapes of products or packaging), motion marks, position marks, holograms marks, sound marks, olfactory marks, and tactile marks (feeling or touch).

## 1.1. What is a trademark?

- **Collective mark** are generally owned by an association or cooperative whose members may use the collective mark to market their products. The association generally establishes a set of criteria for using the collective mark (e.g. quality standards) and permits individual businesses to use it if they comply with such standards.
- **Certification marks** are given for compliance with defined standards (i.e. character or quality of goods or services, working conditions of production or performance), but not confined to any membership. The message conveyed is that the products have been examined, tested, inspected or in some way checked by a person who is not their producer, by methods determined by the certifier/owner.

The main **difference** between a **collective mark** and a **certification mark** is that the former may only be used by a specific group of enterprises, while certification marks may be used by anybody who complies with the standards defined by the owner of the certification mark.

## 1.1. What is a trademark?

- **Trade dress:** The commercial image and overall appearance of a business or presentation of goods.
- For goods, it may consist of one or several elements (the color, size, and/or shape of packaging); or it may be the total image or concept of a product and packaging. It refers to the manner in which a product is “dressed up” for the market.
- For businesses, it may consist of the distinctive look and feel (decor, menu, layout and style of service, uniforms, merchandising, labels and websites).
- Trade dress often serves the same function as a trademark (identifying source).
- In a few countries trade dress can be registered as a trademark, in others it may be protected under unfair competition laws or actions of passing off.

## 1.1. What is a trademark?

- It may not be possible to register a trademark which includes geographic words or signs, if it is geographically descriptive.
- For geographically descriptive signs, producers may seek registration as geographical indications or appellations of origin.
- Trade names are not trademarks and distinguish one enterprise from another. May be protected under different legal frameworks (i.e. competition law, personality rights, or trademark law).

## 1.2. International sources of law

- Paris Convention for the Protection of Industrial Property (1883)
- Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) (1994)
- Madrid Agreement Concerning the International Registration of Marks (1891)
- Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks (1957)

## 1.2. International sources of law – Paris Convention

- Applies to industrial property in the widest sense.
- The substantive provisions of the Paris Convention fall into three main categories:
  - **National treatment (Arts. 2-3);**
  - **Right of priority (Art. 4);** or
  - **Common rules:** With regard to trademarks, the Paris Convention does not regulate the conditions for filing and registration of marks, which are determined by the domestic law.
- The United Republic of Tanzania is a Contracting Party of the Paris Convention since June 26, 1963.

<https://wipolex.wipo.int/en/treaties/textdetails/12633>

## 1.2. International sources of law – TRIPS Agreement

- The TRIPS Agreement binds Member States of the World Trade Organization to further rules and obligations for IP rights in general.
- It defines the subject-matter to be protected, the rights to be conferred and permissible exceptions to those rights, and the minimum duration of protection.
- It harmonizes the minimum protection that each Member State has to provide to the nationals of other Member States.
- The United Republic of Tanzania is a signatory of the TRIPS Agreement.

<https://wipolex.wipo.int/en/treaties/details/231>

## 1.2. International sources of law – Nice Agreement

- Establishes the Nice Classification (NCL), an international classification of goods and services that is widely used around the world. A trademark application refers to a specific sign in connection with specific goods or services, or classes of goods or services, for which the applicant intends to use the sign.
- Classification is used to record the classes of goods or services in relation to which a sign is sought or registered. The Nice Classification may be used as a subsidiary classification in some countries.
- The United Republic of Tanzania is a Contracting Party of the Nice Agreement since September 14, 1999.

<https://wipolex.wipo.int/en/treaties/textdetails/12617>

## 1.2. International sources of law – Madrid Agreement

- The Madrid System for the International Registration of Marks is governed by the Madrid Agreement, concluded in 1891, and the Protocol relating to that Agreement, concluded in 1989.
- The system makes it possible to protect a mark in a large number of countries by obtaining an international registration that has effect in each of the designated Contracting Parties.
- The United Republic of Tanzania is not a Contracting Party.

## 1.3. Regional sources of law – Banjul Protocol

- The African Regional Industrial Property Organization (ARIPO) is mandated to register and administer marks on behalf of the Contracting States of the Banjul Protocol.
- The Banjul Protocol on Marks was adopted on November 19, 1993, at Banjul, Gambia.
- The Banjul Protocol establishes a trademark application filing system along the lines of the Harare Protocol. An applicant may file a single application either at one of the Banjul Protocol Contracting States or directly with the ARIPO Office.
- By virtue of its membership to the ARIPO, the United Republic of Tanzania has become a signatory to the Banjul Protocol.

See: <https://www.aripo.org/ip-services/trademarks/>

## 1.4. National sources of law

- See: <https://wipolex.wipo.int/en/members/profile/TZ>
- In mainland Tanzania, trademarks are governed by:
  - [The Trade and Service Marks Act, 1986 Cap 326 R.E.2002](#) (TSMA). This Act is composed of XIV parts and regulates matters such as the acquisition of the exclusive right to a trade or service mark, classification, registration requirements, registration procedure and requirements and infringement.
  - [The Merchandise Marks Act Cap 85 R.E. 2002](#) and the Merchandise Marks Act Regulations, 2008. These instruments regulate issues concerning counterfeits of trademarks.
  - Penal Code Cap 16 R.E. 2022, Sections 367 & 368.
- See also for reference: [The Trade Marks Act \(TMA\) 1994](#) of the United Kingdom.

## 2. Obtaining registered trademark protection

- 2.1. Classes of goods and services
- 2.2. Filing a trademark application
- 2.3. Opposition
- 2.4. Examination
- 2.5. Registration duration and renewal
- 2.6. Appeal procedures
- 2.7. Reference to the court by the registrar
- 2.8. Priority right
- 2.9. The R, ® or ™ Symbol

## 2. Obtaining registered trademark protection

- Legal protection for a trademark is obtained through registration and/or through use. Countries adopt either a “**first to file**” or a “**first to use**” registration system.
  - **First to file:** The rights to a trademark belong to the first business to file an application for that trademark, even if it was used by another business before. Exception for well-known trademarks, which may be protected even if they are not registered (or have not even been used).
  - **First-to-use:** The rights belong to the person who is the first to use the trademark in the marketplace, irrespective of whether the trademark has been registered. Although registration is not compulsory, registered trademarks are provided much stronger protection.
- Protection for trade names does not require registration in countries that are Member States of the Paris Convention or of the World Trade Organization.

## 2. Obtaining registered trademark protection

- In Tanzania, it is not compulsory to register a mark in order to use it. However, the exclusive legal right to use a trademark is acquired with registration.
- Section 14 of the TSMA provides that:

“The exclusive right to the use of a trade or service mark as defined in section 32 shall be acquired by registration in accordance with the provisions of this Act”.
- By filing for trade mark registration, the trade mark owner obtains a right to prevent others from using a similar mark without their permission.

## 2. Obtaining registered trademark protection

- In Tanzania, the registration process is as follows:
  1. Filing of an application to the Registrar Office and payment of fees.
  2. Full examination by the Registrar who has some discretionary power to determine if the application fulfils the requirement – Section 26 of the TSMA.
  3. Acceptance of the application (if no grounds for refusal).
  4. Publication or advertisement in the Trade and Service Marks Journal – Section 26 of the TSMA.
  5. Opposition period (3 months) – Section 27 of the TSMA.
  6. Registration or refusal/appeal – Section 28 of the TSMA.

## 2.1. Classes of goods and services

- Any registration application must stipulate the classes or subclasses of goods/services for which the mark is intended to be used and trademark protection will be granted only for those classes.
- Tanzania follows the Nice Classification (NCL). The classification is available here: <https://www.wipo.int/classifications/nice/nclpub/en/fr/>
- See for reference sections 3(6) and 32(3) of the UK TMA 1994.

## **TSMA, Section 15**

Classification of registration: Trade or service Marks shall be registered in respect of particular goods or services in one or more classes of International Classification and any question arising as to which class any goods or services fall in shall be determined by the Registrar, who shall have the final decision.

## **TSMA, Section 2**

“International Classification” means the classification according to the Nice Agreement concerning the International Classification of Goods and Services for the purpose of the Registration of Marks, of June 15, 1957, as last revised.

## 2.2. Filing a trademark application

- To obtain trademark protection an applicant must file a trademark application with an intellectual property office in the relevant country, or file an international application designating the country in accordance with the Madrid Protocol.
- The intellectual property office will typically screen the application for formal validity and then, in many systems around the world, make the application public so that any sufficiently interested third party may oppose the registration sought.
- In Tanzania, the marks system is administered by the Trademark Registry of the Industrial Property Office and the Business Registration and Licensing Agency (BRELA).

## TSMA, Section 21

- (1) Any person who or whose proposed registered user uses or proposes to use a trade or service mark shall apply for the registration of the trade or service mark.
- (2) The applications shall be made in writing to the Registrar as prescribed and shall include-
  - (a) the name and address of the applicant;
  - (b) the trade or business description of the applicant;
  - (c) a reproduction of the trade or service mark;
  - (d) the particular goods or services in respect of which registration of the trade or service mark is applied for listed under the applicable classes of the International Classification;
  - (e) if the applicant's address is outside Tanzania an address for service within Tanzania;
  - (f) a declaration that the applicant or his proposed registered user is using or proposes to use the trade or service mark within Tanzania.

## 2.3. Opposition

- Opposition systems offer third parties the opportunity to oppose the registration of a trademark within a certain period of time. Applicable laws provide details and sometimes exhaustive lists of grounds for opposition. Some systems distinguish between absolute and relative grounds for refusal.
- They may be part of the initial registration procedure (**pre-registration opposition**) or directly follow the completion of the registration process (**post-registration opposition**).
- Frequently, the showing of a **legitimate interest** is a prerequisite for the entitlement to file an opposition. In the case of relative grounds for refusal, an opposition can generally be lodged by a person possessing prior rights (for example, a prior trademark, or prior industrial design rights).
- Section 27 of the TSMA allows for third parties to oppose the registration of a trademark during the initial registration procedure and within the time limit as prescribed from the date of advertisement of an application.

## 2.4. Examination

- Once an application for registration of a trademark is received, it will be examined as to form (administrative requirements or formalities). Trademark offices in most countries will also conduct an examination as to substance, in the interest of both the public and competitors.
- In some countries, the trademark office does only a partial substantive examination under which it verifies whether the proposed trademark is liable to be rejected on **absolute grounds for refusal** (categories of signs that are excluded from registration by the specific requirements of the trademark law). If a full substantive examination is done, it will also include examination on **relative grounds**, meaning the office will also check if the proposed trademark conflicts with an existing trademark on the register in the relevant class(es).
- In many countries, third parties are also given the opportunity to object to a trademark registration through post-grant cancellation or invalidation procedures (may be a more comprehensive procedure compared to opposition).

## 2.5. Registration duration and renewal

- Once it has been decided that there are no grounds for refusal, the trademark is registered, and a registration certificate is issued that is valid for at least seven years (TRIPS Agreement, Art. 18). In many countries, the term of registration is 10 years.
- The trademark may be renewed indefinitely by paying the required renewal fees, each time for the same duration.

## TSMA, Section 29

- (1) The registration of a trade or service mark shall be **for a period of seven years** from the date of registration but may be renewed from time to time in accordance with the provisions of this section.
- (2) Subject to subsection (4), the Registrar shall on application made by the registered proprietor of a trade or service mark in the prescribed manner and within the prescribed period, renew the registration of the trade or service mark for a period of ten years from the date of expiration of original registration or of the last renewal of registration, the date which is referred to in this section as the expiration of the last registration.

## 2.6. Appeal procedures

- The refusal of an application either partly or totally may be appealed to the registrar, to an administrative appeal board or to a court. The dismissal of an opposition will usually be subject to appeal.
- In Tanzania, any decision of the Registrar, including the refusal of a trademark application, may be appealed to the High Court (as defined in TSMA, Section 2).

### TSMA, Section 48

A person may appeal from any decision made by the Registrar subject to the provisions of this Act and its Regulations and such appeal shall be made to the Court.

## 2.7. Reference to the court by the registrar

- In Tanzania, the Registrar has the power to refer a matter to the High Court.

### TSMA, Section 49

When any matter to be decided by the Registrar under this Act appears to him to involve a point of law or to be of unusual importance or complexity, he may, after giving notice to the parties, refer that matter to the court for a decision and shall after that, in relation to that matter act in accordance with the decision of the court.

## 2.8. Priority right

- The TSMA gives a priority right to the applicants who have first applied in one of the contracting parties of the Paris Convention.

### TSMA, Section 22

(1) Any person who has applied for protection for any trade or service mark in a country of the Convention, or his legal representative or assignee (if the assignee is also so qualified), shall be entitled to claim the benefits of the earlier application and its registration date in Tanzania shall be deemed to be the same date as the date of the application in the country of the Convention, provided that the application for registration is made within six months from the date of earlier application.

(2) Where applications have been made for the registration of a trade or service mark in two or more countries of the Convention, the period of six months referred to in subsection (1) shall be reckoned from the date on which the earlier or earliest of those applications was made.

(3) The application for the registration of a trade or service mark under this section shall be made in the same manner as is required in the case of any ordinary application under this Act subject to any other requirements which may be prescribed.

## 2.9. The R, ® or ™ Symbol

- The use of a trademark notice on goods to identify trademarks as such may not be made a condition of the right to protection (Paris Convention, Art. 5D).
- The short symbol of R or ® has become a globally recognized notice for a registered trademark. Some businesses use the designation ™ adjacent to unregistered trademarks or ℠ adjacent to unregistered service marks to indicate that they claim exclusive rights.
- In Tanzania, ™ is a symbol used to indicate that the mark is being used by the company as a trademark. However, it does not denote that the mark is registered nor protected under trademark law.

# 3. Requirements for a valid trademark application

- 3.1. Signs which may serve as trademarks
- 3.2. Actual or acquired distinctiveness
- 3.3. Exclusion from registration on other grounds
- 3.4. Absolute and relative grounds for refusal
- 3.5. Use requirement

## 3.1. Signs which may serve as trademarks

- Generally, not exhaustively defined by law.
- In principle, signs that can serve to distinguish the goods/services may include:
  - words, letters and numerals, devices (including drawings and logos), or combinations of these;
  - colored marks (including color combinations), three-dimensional signs, sound marks, olfactory (smell) marks, and other invisible signs such as those recognized by touch.
- A number of countries allow the registration of three-dimensional trademarks.
- Art. 15.1 of the TRIPS Agreement contains a non-exhaustive list of signs eligible for registration.
- In Tanzania, only signs that can be represented graphically are eligible for protection.

## TSMA, Section 2

“visible sign” means any sign which is **capable of graphic reproduction**, including a word, name, brand, devise, heading, label, ticket, signature letter number, relief, stamp, seal, vignette, emblem or any combination thereof.

## 3.2. Actual or acquired distinctiveness

- A sign must be distinctive in order to receive trademark protection (TRIPS Agreement, Art. 15.1).
- Distinctiveness of a trademark: its capacity to identify goods/services from a particular trade source. It depends on the perception of the average consumer of the goods/services covered by the application.
- There are different degrees of distinctiveness and it can be strengthen or lost.

## 3.2. Actual or acquired distinctiveness

- Signs generally considered inherently strongest:
  - **Coined trademarks:** invented words/signs without meaning;
  - **Arbitrary trademarks:** words/signs with meaning that has no logical relation to the advertised product.
- Signs with a low level of distinctiveness:
  - **Suggestive signs** or signs that hint at the nature, quality or attributes of the product, but do not describe them.
- Weakest signs:
  - **Descriptive signs:** merely describe some feature or characteristic (i.e. kind, quality, purpose) of the product for which the sign is intended to be used or is being used. Not eligible for protection unless a distinctive character has been established over time through extensive use in the marketplace.
  - **Generic signs:** define a category or type to which the goods belong. Not eligible for protection.

## 3.2. Actual or acquired distinctiveness

- In many countries, an objection that a sign is devoid of distinctive character can be overcome if it can be proved that the sign has acquired **secondary meaning or distinctiveness through use.**
- It must be proved that the consuming public recognizes the descriptive name as a trademark that refers to the origin of the goods or services.
- This usually happens as a result of widespread use over time or as a result of significant marketing.

## TSMA, Section 16

- (1) A trade or service mark shall be registered **if it is distinctive**.
- (2) For the purpose of this section a trade or service mark is distinctive if it is capable, in relation to goods or services in respect of which it is registered or proposed to be registered, of distinguishing, goods or services with which its proprietor is or may be connected in the course of trade or business from goods or services in the case of which no such connection subsists, either generally or, where the trade or service mark is registered or proposed to be registered subject to limitations, in relation to use within the extent of registration.
- (3) In determining whether a trade or service mark is capable of distinguishing for the purpose of subsection (2), regard shall be to the extent to which-
  - (a) the trade or service mark is **inherently capable of distinguishing** as aforesaid; and
  - (b) by reason of the use of the trade or service mark or of any other circumstances, the trade or service mark is in fact **capable of distinguishing** as aforesaid.

### 3.3. Exclusion from registration on other grounds

- Signs not eligible for registration:
  - **Likely to deceive the public** as to the nature, quality or any other characteristics of the goods or their geographical origin;
  - **Contrary to morality or public policy;**
  - **Specific signs** established by law (i.e. national flag, foreign words);
  - WTO Members are also required to prevent certain unauthorized uses of Geographic Indications and their registration as trademarks (TRIPS Agreement, Arts. 22-24);
  - The notified signs of other member States and international intergovernmental organizations (such as the UN) are also protected from registration or use as trademarks, or as elements of trademarks, without the authorization of the competent authority (Paris Convention, Art. 6ter).

## 3.4. Absolute and relative grounds for refusal

- **Absolute grounds** refer to the categories of signs which are excluded from registration by specific provisions of the trademark law (i.e. distinctive character, descriptiveness and exclusions based on morality or other characteristics).
- **Relative grounds** are those which arise when the proposed trademark conflicts with **prior trademark rights or other signs**.
- Trademark protection may also be prohibited pursuant to **another earlier right** (i.e. a right to a name, a copyright, an industrial property right), unless the owner of the earlier right has consented to the use of the trademark.

## TSMA, Section 19

It is hereby declared that the following cannot be validly registered for the purpose of this Act-

- (a) trade or service marks the use of which would be contrary to law or morality or which would be likely to deceive or cause confusion as to the nature, geographical or other origin, manufacturing process, characteristics or suitability for their purpose, of the goods or services concerned;
- (b) trade or service marks which consist solely of the shape, configuration or colour of the goods, or the containers thereof;
- (c) trade or service marks which are identical with, or imitate the armonial bearings, flags and other emblems, initials, names, or abbreviations or initials of name or official sign or hallmark of any state or of any organisation created by an International Convention, unless authorized by the competent authority of that state or international organisation; and;
- (d) trade or service marks which constitute reproductions in whole or in part, imitations, translations or transcriptions, liable to create confusion of trade or service marks and business or company names which are well known in the country and belong to third parties.

## 3.4. Absolute and relative grounds for refusal – Case law

**Distribution Africa Limited v Registrar of Trade and Service Marks, Miscellaneous Commercial Cause No. 26 of 2005, High Court of Tanzania, Commercial Division at Dar es Salaam**

- Appeal case where the appellant challenged the decision of the Registrar who refused registration of the mark due to its alleged similarity to an earlier application (No. QTM 000772, Chin Chen (word)).
- The High Court raised the following issue: The immediate issue for determination is – why did the Registrar at first accept the appellant's application, process it and only then turn around and withdraw her acceptance?
- Having considered the ground of appeal and key issues related to trade mark the Court held the following:
  - Following Section 28(1)(b) of the TSMA, the Registrar has powers to rectify errors that were not apparent while the application was filed or being processed;
  - Where the question of distinctiveness arises between two trade or service marks, the Registrar must stop the process of registration and clear the issue or else any registration so carried out, is invalid;
  - Given the close similarities of the two marks, including the single product nature (tomato paste), the market, the visual and the phonetical aspects, the Registrar could not impose special conditions or hold that the two marks were not similar.

## 3.5. Use requirement

- Use of the trademark is sometimes required to maintain registration, although the use cannot be a condition precedent for obtaining registration (TRIPS Agreement, Art. 15.3.).
- **Non-use of a registered trademark** for a certain number of years (three years is a minimum imposed by Art. 19.1 of the TRIPS Agreement), may result in the cancellation of the registration, unless valid reasons are shown by the trademark owner, such as, instances of force majeure, import restrictions, or other circumstances that are not caused by the mark owner's fault or negligence.
- **Improper use** could also lead to the loss of trademark rights, for example if the registered owner has used (or tolerated use) of the mark as a generic name, resulting in a loss of its significance as a trademark. Such use may include using the trademark as a product designation or noun.
- The TSMA requires a proprietor of a registered trade or service mark to put his mark to use within the maximum period of three years from the date of registration. The non-use may result in the cancellation of the registration upon third party request to the Registrar or to the High Court of Tanzania.

## TSMA, Section 35

(1) A registered trade or service mark shall be removed from the register in respect of any of the goods or services in respect of which it is registered on application by an aggrieved person to the court or, at the option of the applicant under the provisions of section 55 of this Act, to the Registrar, on the ground that up to one month prior to the filing of the application a continuous period of three years or longer had elapsed during which the registered proprietor did not use the trade or service mark in relation to those goods or services, provided that failure to use the trade or service mark shall not be taken into account where-

- (a) it is attributable solely to special circumstances preventing use of the trade or service mark and not to any intention to abandon or not use the trade or service mark, or
- (b) the non use is within five years from the date of first advertisement of the trade or service mark in accordance with section 28 or within the period from such date extended to two years from the date of the final decision on the registration whichever period expires later.

(2) For the purpose of subsection (1)-

- (a) the use of the whole of a registered trade or service mark shall be deemed to be equivalent to the use of any registered trade or service mark, being a part thereof registered in the name of the same proprietor by virtue, of section 25(l),
- (b) where a trade or service mark has been used in relation to some, but not all of the goods or services in respect of which it is registered, such use shall be deemed to be equivalent to the use of the trade or service mark in relation to all closely related goods or services in respect of which it is registered,
- (c) where a trade or service mark is applied to goods or services to be exported from Tanzania, such use shall be deemed to be equivalent to the use of the trade or service mark in relation to those goods or services in Tanzania; and
- (d) the use of associated registered trade or service mark, or of the trade or service mark with additions or alterations not substantially affecting its identity may be accepted as an equivalent for the use of the trade or service mark.

## 4. Rights arising from trademark registration

- 4.1. Exclusive right to use
- 4.2. Right to prevent others from using the trademark
- 4.3. Right to prevent others from using well-known marks
- 4.4. Right to dispose of the trademark as an object of property
- 4.5. Restrictions of the exclusive right

## TSMA, Section 31

“Subject to the provisions of this Act and any limitations or conditions entered in the register, the registration of a trade or service mark shall, if valid, give or be deemed to have given to the registered proprietor the **exclusive right to the use of a trade or service mark** in relation to any goods including sale, importation and offer for sale or importation”

## 4.2. Right to prevent others from using the trademark

- **TRIPS Agreement, Art. 16.1**

A registered trademark owner has the exclusive right to prevent all third parties not having the owner's consent from using, in the course of trade, **identical or similar signs for goods/services which are identical or similar to those in respect of which the trademark is registered**, where such use would result in a likelihood of confusion. In case of the use of an identical sign for identical goods/services, a likelihood of confusion is presumed.

- The trademark owner may:

- 1) oppose trademark applications made by third parties which relate to an identical or similar sign for identical or similar products or services;
- 2) take legal action for the invalidation of registered marks; or
- 3) exercise their exclusive right by means of an infringement action.

## 4.3. Right to prevent others from using well-known marks

- **TRIPS Agreement, Art. 16.3 applying Paris Convention, Art. 6bis**

For **well-known marks**, the right to prevent use of the trademark by others may cover not only confusingly similar marks used for identical or similar products, but also confusingly similar marks used for dissimilar products, where use of that trademark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered trademark, and the interests of the owner of the registered trademark are likely to be damaged by such use.

- The use of a sign similar to a well-known trademark may “tarnish” its reputation, “dilute” the distinctive character of a well-known trademark, or “parasitize” the reputation of the well-known trademark to benefit from the attraction of such mark.

## 4.4. Right to dispose of the trademark as an object of property

The owner of a registered trademark has the right to assign or license the trademark to a third party.

**1. Assignment:** The owner of a registered trademark has the right to assign the trademark with or without the transfer of the business to which the trademark belongs (TRIPS Agreement, Art. 21). In some cases, partial assignments may be allowed where the goods involved are not similar to those remaining with the former owner, in order to avoid confusion of consumers.

- In Tanzania, the trade or service mark owner has the right to assign the mark (Section 40(6) of the TSMA).
- Assignment is defined in Section 2 of the TSMA as “transfer by act of the parties concerned”.
- Section 40 of the TSMA provides for the legal conditions for an assignment.

## 4.4. Right to dispose of the trademark as an object of property

**2. Licensing:** The owner of a registered trademark has the right to license the trademark to third parties. The trademark owner retains ownership and merely agrees to the use of the trademark by one or more other companies. This is usually done on payment of royalties and involves the consent of the trademark owner, which is usually specified in a formal licensing agreement:

- **Exclusive:** the licensor cannot use the trademark for their own products or services, at least in the territory to which the exclusivity agreement refers.
  - **Non-exclusive:** the licensor retains the right to use the trademark and to grant other licenses to third parties.
- ❖ **Coexistence Agreements:** The owners of identical or similar trademarks may conclude coexistence agreements, establishing to what extent and under what conditions each trademark can be used by its owner.

## 4.4. Right to dispose of the trademark as an object of property

- Section 44 of the TSMA provides for both, exclusive and non-exclusive licences.
  - A license contract is not valid, unless it contains a clause by which the licensor guarantees an effective control of the quality of goods or services in respect of which the licensee is permitted under the license to use the mark.
  - In addition to using the mark himself, a **non-exclusive license** does not prohibit the proprietor from granting further licenses in relation to his registered trade or service mark.
  - In an **exclusive license**, the proprietor may neither use the mark nor grant further licenses.
- Licenses shall not be assignable to third parties and licensees shall not grant sub-licenses (Section 47 of the TSAM).

## 4.5. Restrictions of the exclusive right

1. **Parallel imports (“exhaustion” of IP rights or first-sale doctrine):**
  - There is no international definition nor minimum standards set by the TRIPS Agreement. Regimes vary from country to country.
  - Once goods have been lawfully put on the domestic market (**national exhaustion**) or in a foreign market (**international or regional exhaustion**) with the trademark owner’s consent, the owner of a registered trademark used in relation to those goods can no longer object to further sales of the product. May be subject to the goods not being notably changed or impaired after first sale.
  - Section 32(3)(c) of the TSMA provides for national exhaustion.
2. **Public policy:** the right of use is subject to other laws and rights; for example, what is allowed under trademark law may be prohibited under competition or other law.
3. **Fair use of descriptive terms:** for example, *bona fide* use of identifying terms for third-party’s goods/services if these are for information and do not mislead the public as to the source. Provided that such exceptions take account of the legitimate interests of the owner of the trademark and of third parties (TRIPS Agreement, Art. 17).

## 5. Revocation or invalidation

- Revocation and invalidation procedures:
  - Provide an avenue for the removal of trademarks from the register.
  - May allow the assertion of absolute as well as relative grounds for refusal.
  - Since it takes place after registration, a party may seek removal of a trademark in circumstances such as nullity, non-use after registration, loss of distinctiveness or the mark becoming generic or deceptive.
  - Registration may be removed entirely or partially for certain goods/services.

# 6. Infringement

6.1. Likelihood of confusion

6.2. Passing off

6.3. Counterfeiting

6.4. Non-infringement acts

## 6. Infringement

- A trademark will be infringed if, owing to the use of an identical or similar sign for identical or similar goods, there is a likelihood of confusion.
- Section 32(1)(a)(i) of the TSMA , establishes that a registered trade or service mark can only be infringed if the infringer uses, **in the course of trade**, an infringing sign as a trade or service mark.
- Lists of situations where the person is said to use the sign in the course of trade:
  - Affixes the sign to goods or packaging;
  - Offers or exports goods for sale or put on the market using its design;
  - Imports or exports goods with the sign; and
  - Uses the sign on business papers or advertising.

# 6. Infringement

- Infringement can arise under four scenarios, namely if the alleged infringer uses:
  1. **Identical sign** in respect of **identical goods/services** (likelihood of confusion is presumed to exist and does not need to be demonstrated - TRIPS Agreement, Art. 16.1);
  2. **Similar sign** in respect of **identical goods/services**;
  3. **Identical sign** used in respect of **similar goods/services**; or
  4. **Similar sign** used in respect of **similar goods/services**.
- Assessment of infringement of scenarios 2, 3 and 4 require an **evaluation of the likelihood of confusion**. This will involve consideration of two common variables:
  1. how similar the allegedly infringing trademark is to the registered owner's trademark; and
  2. how similar the goods or services of the registration are to those in relation to which the alleged infringement has occurred.

## TSMA, Section 32

- (1) The exclusive right referred to in section 31 shall be deemed to be infringed by any person who, not being the proprietor of a trade mark or its registered user using by way of the permitted use, uses a sign either–
- (a) identical with or so nearly resembling it as to be likely to deceive or cause confusion, in the course of trade or business, in relation to any goods in respect of which it is registered or in relation to any closely related goods and in such manner as to render the use of the sign likely to be either–
- (i) as being used as a trade mark or business or company name; or
- (ii) in a case in which the use is upon the goods or in physical relation to them, or in relation to services, or in an advertising circular or other advertisement issued to the public, as importing a reference to some person having the right either as proprietor or as a registered user to use the trade marks or to goods or services with which that person is connected in the course of business or trade; or
- (b) identical with or nearly resembling it in the course of trade or business in any manner likely to impair the distinctive character or acquired reputation of the trade mark.

## 6. Infringement – Case law

### **Akita Electronic Co. L.L.C. v Mire Artan Ismail, Commercial Case No. 19 of 2006, High Court of Tanzania, Commercial Division at Dar es Salaam**

- The plaintiff owned a registered trademark in Tanzania that was used for the wholesale, import and export of electronic goods and home appliances.
- The plaintiff filed an infringement suit against the defendant alleging that the defendant was using the plaintiff's trademark on cheaper imitation products.
- Under the Evidence Act Cap 6 R.E 2002, the Court held that: "In view of the fact that no documentary evidence or sample of products sold by the defendant were produced in Court in order to establish infringement of the plaintiff's trademark, the Court is not in a position to award the relief prayed by the Plaintiff".

## 6.1. Likelihood of confusion

- Whether the average consumer of the relevant goods/services would think that the goods/services bearing the allegedly infringing sign originate from the owner of the earlier registered trademark.
- Questions:
  1. the identity/similarity between the earlier registered trademark and the allegedly infringing sign;
  2. the identity/similarity between the goods/services provided for which the earlier registered trademark is registered and those in respect of which the allegedly infringing sign is used; and
  3. whether such use of the allegedly infringing sign would result in a likelihood of confusion for the persons who are most likely to consume the goods in question (consumers).
- There is no need of evidence of actual confusion on the part of a particular consumer.
- No need to establish an intention to confuse on the part of the infringer.
- The more similar the goods/services and the trademarks, the more likely is a risk of confusion for the average consumer.

## 6.1. Likelihood of confusion

Broad principles of interpretation to assess the similarity of trademarks:

- The consumer will likely encounter the allegedly infringing sign by itself, and rely on a recollection of the earlier trademark, which may lead to confusion. The degree of attention on the part of the consumer may depend on the nature of the goods or services concerned (mass-consumption versus luxury goods).
- Trademarks should be compared as a whole.
- A highly distinctive mark or element is more likely to be confused when there is a duplicate of the distinctive element, than a mark with an associative meaning in relation to the goods for which it is registered. Where two signs share an element that is descriptive, the consumer's attention can be expected to be drawn to the rest of the mark.
- Similarity in a number of aspects of the sign can give rise to confusion – whether in the writing, the pronunciation or the meaning of the sign. Similarity in one of these aspects may be sufficient to create a likelihood of confusion and be infringing.

## 6.1. Likelihood of confusion

- The similarity of goods or services cannot be determined by simple reference to the classes in which the goods or services are registered, since such classification is merely administrative in nature.
- The similarity of competing goods/services is to be assessed by having regard to whether, if they were offered for sale under identical or similar signs, the consuming public would be likely to mistake them as having the same origin.
- This determination is made on **a case-by-case basis**, taking into account all the circumstances – not only the nature of the goods, their material composition, the purpose for which they are used, and their typical channels of trade, but also their usual origin and point of sale.

## 6.1. Likelihood of confusion – Case law

### **Double Diamond Holdings Limited v East African Spirits (T) Limited & Gaki Investment Limited, Commercial Case No. 8 of 2018, High Court of Tanzania, Commercial Division at Arusha**

- The plaintiff has a registered trademark “Chase the Ace the Ace of Diamonds” for spirits/gin.
- The defendant has two registered trademarks “White Diamond” and “Diamond Rock” for spirits/gin.
- The plaintiff filed an infringement suit alleging that the presence of “Diamond” on the defendants trademarks amounted to infringement of his trademark.
- The Court applied a global appreciation test (considering the visual aspects and consumer perception) and considered that the marks were not similar:
  1. Combination of words is different;
  2. The packaging materials are different; and
  3. Colors and inscriptions are different.

## 6.1. Likelihood of confusion – Case law

**Compania Licorera de Centroamerica, SA v Mohan's Oysterbay Drinks Ltd and another,  
Commercial Application No. 29 of 2011, High Court of Court of Tanzania, Commercial Division at  
Dar es Salaam**

- The court considered, *inter alia*, the similarity and likelihood of confusion between the words “FLOR DE CANA” (plaintiff’s registered trademark) and “FLOR” (defendants’ unregistered registered trademark).
- The court held that, “the words “FLOR” and “FLOR DE CANA” are not similar and cannot cause any confusion as the words are separate and independent”. The word FLOR (English word) which means “yeast allowed to develop in a whitish film on the surface of dry (fino) cherries during fermentation” (Oxford Dictionary 10<sup>th</sup> Edition) cannot be similar to the phrase “FLOR DE CANA” which in Spanish means “sugarcane flower”.

## 6.1. Likelihood of confusion – Case law

**Aktiebolaget Jonkoping-Vulcan v. East African Match Co. Ltd [1964] 2 ALR Comm. 176**, at 183 (line 34) and 184 (line 26): It falls within the court's competence to answer the question whether the infringing and the registered signs are similar and whether that similarity causes consumer confusion or deception.

**Tanzania Breweries Ltd v. Kibo Breweries and Kenya Breweries, Civil Case No. 34 of 1999 (Dar Es Salaam Registry (unreported))**, para. 16: The “court has to wear the shoes of a common man, spread the marks before it and ask itself whether there are resemblances between the two which would make it pick a product which was not intended but the opposite.”

## 6.2. Passing off

- Passing off applies to unregistered marks associated with a particular business, its goods or services. Concerns with goodwill and protection of unregistered marks that have been used for a long time and have created a reputation and goodwill.
- Developed by common law courts and it was based on the “tort of deceit”.
- Requirements for establishing passing off:
  - Establish benefit of goodwill;
  - Establish a reputation in the market;
  - Deception; and
  - Proof of damage suffered.

## TSMA, Section 30

No person shall be entitled to institute any proceedings to prevent or to recover damages for, the infringement of an unregistered trade or service mark, but nothing in this Act shall be deemed to affect rights of action against any person for passing off goods or services as the goods or services of another person, or the remedies in respect thereof.

## 6.3. Counterfeiting

- Trademark counterfeiting is a kind of trademark infringement. Trademark counterfeiting is often assimilated to “**primary**” **trademark infringement** (identity of the sign with the earlier registered trademark and identity of goods and services) where the likelihood of confusion is presumed, and distinguished from “**secondary**” **trademark infringement**, which requires a likelihood of confusion to be demonstrated.
- Counterfeit trademark goods are generally defined as “any goods, including packaging, bearing without authorization a trademark which is identical to the trademark validly registered in respect of such goods, or which cannot be distinguished in its essential aspects from such a trademark...” (TRIPS Agreement, fn. 14).
- The counterfeit gives the impression of being the genuine product originating from the genuine manufacturer or trader.
- Under the TRIPS Agreement, criminal procedures and penalties must be provided at least in cases of wilful trademark counterfeiting on a commercial scale (minimum obligation to Member States).

## 6.4. Non-infringement acts

- In Tanzania, the following acts may not amount to infringement:
  - Use of own name in accordance with honest practices in industrial and commercial matters;
  - Use of a sign to indicate certain descriptive characteristics of goods or services (such as the kind, quality, etc.) in accordance with honest practices in industrial and commercial matters;
  - Use of the registered trademark to indicate the intended purpose of goods (in particular as accessories or spare parts) or services in accordance with honest practices in industrial and commercial matters;
  - Fair use in comparative commercial advertising or promotions;
  - Non-commercial use;
  - News; and
  - Exhaustion of rights.

## 7. Remedies

The following remedies are available in Tanzania:

- Injunctions;
- Damages;
- Account of profits;
- Delivery up;
- Destruction/forfeiture;
- Removal of the infringing sign; and
- Criminal remedies.

## 7. Remedies – Case law

### **Glaxo Group Limited v Agri – Vet Limited, Commercial Case No. 73 of 2002, High Court of Tanzania, Commercial Division at Dar es Salaam**

- The case involved a request of **preliminary injunction** in an trademark infringement case of a registered trademark.
- The Court upheld the principles settled by case law to grant preliminary injunctions, which are:
  1. there must be a serious triable issue between the parties with a probability that it may be decided in the applicant's favour (*prima facie* case);
  2. the circumstances should be such that if the court does not issue the order the applicant would suffer irreparable loss even if he subsequently succeeds in the action; and
  3. on a balance of convenience the applicant stands to suffer more if the injunction is refused than what would the respondent suffer if granted.
- It continue to say that “in conflicts of trademarks and business names, temporary injunctions should very sparingly be sought by parties and granted by courts because of the intricacy sorrounding the first principle of establishment of a *prima facie* case with probability of success”.

## 7. Remedies – Case law

### **CPC International Inc. v Zainab Grain Millers Ltd, Civil Appeal No. 49 of 1995, The Court of Appeal of Tanzania, Dar es Salaam**

The case involved a request of **preliminary injunction** in an trademark infringement case of a registered trademark.

- The Court held that it is not require to prove infringement or passing off to grant a preliminary injunction.
- It stated that “It is settled principle that in matters of passing off, a *prima facie* case could well be shown if upon consideration of the close similarity between the trade marks complained of was on balance such as to cause deception or confusion on the part of the customers”.

## 7. Remedies – Criminal offences

The **TSMA** regards the following as trade and service mark offences:

1. **Section. 56** - Making or causing to be made a ‘false entry in the Register’, or ‘writing falsely purporting to be a copy of an entry in the Register’, or producing or tendering ‘in evidence any such writing, knowing the entry or writing to be false’.
2. **Section. 57 (1)** - Presenting the following: (i) unregistered service or trademark as a registered mark; (ii) a part of a registered trade or service mark as an independent registered mark; or (iii) a registered trade or service mark as being registered for goods and/or services A, B, and E, while the mark is registered for goods and/or services C, D, and F; or (iv) a registered trade or service mark as extending to the proprietor some exclusive rights, whereas given the limitation entered in the Register in relation to the mark, the proprietor is not entitled to enjoy those exclusive rights.
3. **Section. 57 (2)** - Using ‘in Tanzania in relation to a trade or service mark of the word “registered” or the symbol R, or of any other word or symbol referring whether expressly or impliedly’, to the fact that a trade or service mark is registered, while it is not.
4. **Section. 58 (2)** - Intentional making or submitting a written or oral false statement or representation in order to do the following: (i) deceive the Registrar or any other TSMO official in execution of the provisions of the TSMA; or (ii) procure or influence the doing or omission of anything in relation to the TSMA or any matter under the TSMA.

## 7. Remedies – Penalties

- **TSMA, Section. 57(1)** - The offence of falsely representing a trade or service mark as a registered mark is punishable by a fine of TZS 50,000 or; by a term of imprisonment up to seven years or by ‘both such fine and imprisonment’.
- **TSMA, Section. 59** - Persons found guilty of committing any of offences outlined in Sections 56, 57 (2) and 58 (2) are liable to pay up to TZS 10,000, or up to three years imprisonment term, or ‘to both such fine and such imprisonment’.