

CASE DIGEST

TRADEMARK: ACTION FOR INFRINGEMENT OF TRADEMARK; WILL ARISE WHERE A COMPETITOR USES A REGISTERED TRADEMARK FOR THE PURPOSE OF COMPETING THEM WITH HIS OWN GOODS IN THE SAME CLASS

ALLIANCE INTERNATIONAL LTD. v. SAAM KOLO INTERNATIONAL ENTERPRISES LTD.
SUPREME COURT OF NIGERIA

(AGIM; NWEZE; AUGIE; OGUNWUMIJU; ABUBAKAR, JJ.SC)

Saam Kolo International Enterprises Ltd. (The Respondent) by a writ of summons and statement of claim instituted a suit against Alliance International Ltd. (The Appellant) for a perpetual injunction restraining the Appellant whether acting by its directors, officers, distributors, servants, agents or otherwise howsoever from infringing registered trademarks, ₦3 Million (Three Million Naira) only against the defendant for damages suffered by the plaintiff, annual profits for 5 years due to the infringement by the Appellant. The Respondent alleged that it formally applied to the Registrar of Trademarks for registration of its two products, "STEP" and "GUARD". Following its application, the trademarks office registered the products and issued a certificate of registration for the two products in 1992. In October 1992, the Respondent discovered the imitation of one of its registered products "STEP" shoe protector by the Appellant which gave the impression that the Appellant produced and distributed same, and by reason of the imitation by the Appellant, it suffered financial loss and serious setback to its reputation and trade. At the end of trial, the trial judge gave judgement in favour of the Respondent and consequently granted an order of perpetual injunction restraining the Appellant whether acting by its directors, officers, distributors, servants agents or otherwise howsoever from infringing the Respondent's registered trademarks, and awarded the sum of ₦5.5million against the Appellant in favour of the Respondent as general damages suffered by the Respondent. Dissatisfied with the judgment of the trial court, the Appellant appealed to the Court of Appeal. The Court of Appeal allowed the appeal in part and varied the Orders made by the trial court by setting aside the order of perpetual injunction in respect of Trademark 49626 and in place of the ₦5.5 million general damages, awarded ₦5 million.

Still dissatisfied with the judgement of the Court of Appeal, the Appellant appealed to the Supreme Court. One of the issues for determination is: *Whether section 5(2) of the Trademarks Act confers the standing to sue on the respondent whose claim was the infringement of its trademark by the appellant.*

Learned Counsel for the Appellant contended that the Respondent had no locus standi to sue for the infringement of its trademark because the respondent's evidence did not prove that it was the sole agent of Travelers Products and Guard manufacturing company of St. Louis Missouri of United States of America in Nigeria, who originally owns the trademark.

On the other hand, the Respondent's Counsel argues that the Appellant has the locus standi to sue in respect of the infringement of the trademarks because it registered the trademarks and was issued certificates of registration in its name, which certificates are in evidence as exhibits E - E2 and that the issue before the court is that the registered trademarks were infringed and not whether the plaintiff is the accredited sole agent of Travelers Products or Guards Manufacturing Company, USA.

In resolving the issue, the Supreme Court held that:

A trademark registration gives the proprietor the exclusive right to use the trademark in marketing or selling his goods. And without his consent, if anyone uses an identical mark or one mark so nearly resembling it as to be likely to deceive or cause confusion, will entitle the proprietor to sue for infringement of the trade mark, or to sue in action for passing off or both ...Following the provisions of S. 5(2) of the Trade Marks Act, an infringement of a registered trade mark can be maintained where the court finds that the defendant is engaged in the use of mark identical with the registered trade mark or use a mark so nearly resembling the registered trade mark, as to likely to deceive or cause confusion in the course of trade; or used in relation to any goods in respect of which it is registered or used in such a manner as to render the use or the mark to be taken as importing a reference to the goods which the plaintiff trade mark is connected. **An action for infringement will therefore lie where a competitor uses registered trademark in connection with proprietor's goods for the purpose of competing them with his own goods in the same class.** See *Bismag Ltd. v. Amblins (Chemists) Ltd.* (1940) Ch. 667. The Respondent being the registered user of the trademarks in Nigeria, therefore, has the right of action to protect the right to use them exclusively.

Issue resolved in favour of the Respondent.

Chief Emeka Ngige, SAN with Onyeka Obiajulu, Esq., and Ogenna Ibe, Esq., for the Appellant

Victor Obaro, Esq., for the Respondent.

This summary is fully reported at (2022) 8 CLRN

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info@clrndirect.com