

CIVIL ENFORCEMENT OF TRADEMARK RIGHTS IN ZIMBABWE

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## ABSTRACT

*Protection of property rights is one of the key functions of any legal system, Zimbabwe included. The assertion of rights by right holders in the event of infringement or misuse is one of key roles of the civil courts in Zimbabwe. A number of courts including the Magistrate Court, the High Court, and the Supreme handle civil trademark disputes in Zimbabwe. The civil process is one of the key enforcement mechanisms available to trademark right holders in Zimbabwe. Quality civil enforcement system is relevant for increased investments in research, development and innovation of new trademark ideas. Creativity in the IP sector is hinged in part on the level of enforcement availed by the law and the courts to right holders. Without the law providing real remedies when infringement of intellectual property rights takes place, rights accorded by the law to trademark rights will be on no value. This study examines the status of civil trademark law in Zimbabwe with a view to ascertain the extent of its effectiveness. The following aspects of the civil litigation process were looked at; the cost involved, the duration of proceedings, the right of audience, the available remedies, the set up of the courts, evidence required, onus of proof and other aspects. The study used practising lawyers, companies and judicial officers as research subjects in assessing the effectiveness of the civil litigation process in Zimbabwe. The target population of participants was 40 made up of 15 lawyers, 15 companies and 10 judicial officials. It was discovered that among the selected group of participants there was a great deal of awareness and appreciation of the law of trademarks and Intellectual Property in general. Questionnaires and interviews were used as research instruments. Secondary data analysis was also used to provide background. The research revealed that the current litigation process for trademark disputes and other intellectual property matters in general had some bottlenecks such as long delays in finalising civil cases, poor case management by the courts, low damages awarded in infringement cases, non existence of a specialised tribunal for intellectual property cases, lack of use of alternative dispute resolution mechanisms among others. These challenges can be resolved by a number of measures which do not require infrastructural or expensive changes in the legal system.*

## DECLARATION

I CHRISTOPHER MUNGUMA, DECLARE THAT THIS WORK IS  
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## **DEDICATION**

This research is dedicated to my late father Bennie Tapera Munguma, my mother Vesta Munguma and to my loving wife Sherry.

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## **LIST OF ACRONYMS**

ARIPO - Africa Regional Intellectual Property Organisation

TRIPS - Agreement on the Trade - Related Aspects of Intellectual Property Rights

IP - Intellectual Property

IPO - Intellectual Property Offices

IPRS - Intellectual Property Rights

OECD – Organisation for Economic Co-operation and Development

Paris Convention - Paris Convention for the Protection of Industrial Property

SME – Small to medium scale enterprises

WIPO - World Intellectual property Organisation

## **CHAPTER 1**

### **INTRODUCTION**

#### **1.0 Introduction**

Enforcement of rights accorded by the law is very important for the full realization of any given rights. According to Keplinger (2008) the protection of property rights is one of the keystones of a free and flourishing society. Protecting intellectual property (IP) from unauthorized use and ensuring that creators, rights holders and governments reap the full benefits offered by the IP based industries is a top priority at both national and international levels. To a larger extent the judiciary plays an important role in civil enforcement of any intellectual property rights including trade mark rights. Without the ability to get remedies from competent courts in cases of infringement, trademark rights given by the law can become ineffective and of no use. This has led Keplinger (2008: 2) to argue that:

..... IP rights are only valuable if they can be protected, and enforced: “a right without a remedy is not a right.” While digital technologies have revolutionized the way in which we create and do business, those same technologies have fuelled a dramatic escalation in IP-crime. Combating IP infringement, especially in the serious forms of counterfeiting and piracy, is now a major challenge for many countries and regional institutions.

The infringement challenges mentioned by Keplinger in the above quotation are taking place in many countries including Zimbabwe. One area of IP affected by infringements is trademark law. It is because of such infringements and violations of intellectual property rights that it is necessary for countries to have expeditious remedies and deterrent penalties in their legal systems to prevent infringements of intellectual property rights. For the law to be effective and for right holders to have comfort that their investments are protected affected intellectual property rights holders must have real legal recourse in the event of infringement of their rights. In this way right holders may reap the benefits of their investment and rights.

The Paris Convention for the Protection of Industrial Property (Paris Convention) in Article 10<sup>tr</sup> (1) imposes an obligation to member nations to have appropriate legal remedies in their legal systems in matters concerned with trademarks and other Intellectual Property Rights (IPR) rights. Trademarks are mentioned by name in the article to emphasise their importance. This requirement is further confirmed by the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) in Article 41 (1). The Article emphasizes the need for nations to set up good and effective enforcement systems that prevent infringements. These systems must be both expeditious and deterrent in nature to would be infringers. Zimbabwe is a member to both the above Treaties.

Zimbabwe has domesticated some of the enforcement provisions of the international instruments in its national laws. For example the Trademark Act (Chapter 26:04) has provisions to deal with border measures, civil remedies and in some instances criminal penalties for infringement of trademarks. Domestication of international IP provisions is important in the context of Zimbabwe because its constitution is dualist in nature.

Enforcing trademark rights is very important to right holders for a number of reasons. Enforcement helps in building and maintaining the right holder's brand value, maintains the aura of exclusivity in the minds of consumers and deters infringers and counterfeiters. In addition, asserting trademark rights ensures that the right holder's products or goods become the source identifier of one's business. If the owner does not vigilantly guard his or her rights, the trademark can easily be tarnished, diluted or disparaged and consequently lose value.

### **1.1 Background to the study**

The WIPO Handbook (2004) defines a trade mark as any sign that individualizes the goods of a given enterprise and distinguishes them from the goods of its competitors. In order to individualize the goods of any person the trademark must identify the person who manufactured the goods i.e. the trade mark must indicate the source of the goods. Secondly, the products of a particular entity must be distinguishable from those of a different manufacturer or producer. The



trademark must clearly be a badge or mark of origin of the goods. In this regard the Supreme court of Zimbabwe in the case of *Zimbabwe Gelatine (Pvt) Ltd v Cairns* SC-130-02 at 4 of the cyclostyled judgement stated that:

The purpose of registration of a trade mark is that no other party should use the trade mark. Kerly's *Law of Trade Marks and Trade Names* at p 12 para 2:08 says:

"The function of a trade mark is to give an indication to the purchaser ... of the trade source from which the goods come or the trade hands through which they pass on their way to the market."

It follows that once a trade mark is registered, persons who purchase goods with the registered trade mark associate those goods with the owner of the trade mark.

In other words the products of two competing producers must clearly show that they are manufactured by different enterprises even though they are of the same type. If the mark fails to play this role it ceases to play its major role.

Zimbabwe is a common law country that applies the Roman Dutch legal system as modified by statute law over the years. The country applies the principle of *stare decisis* (the binding force of precedents) in its legal system. The constitution in chapter 1 section 2 recognizes the principle of constitutional supremacy. This means the constitution of Zimbabwe is the supreme law of the land. The constitution protects private property rights but unlike the constitutions of such countries as Belarus and Macedonia, the constitution does not give special protection to intellectual property rights. The judiciary is one of the three arms of government and is constitutionally required to be independent and

impartial. The Magistrate Court, High Court, the Supreme Court and the Intellectual Property Tribunal have the right to hear civil intellectual property cases which include trademark disputes.

In the area of trademark law the nation has a Trademark Act (Chapter 26:04) that sets the framework for registration of marks and offers protection for registered trademarks. Both registered and unregistered trademarks are protected by statute law and the common law respectively. The Trademark Act creates both civil and criminal sanctions for certain types of infringement of trademarks. Other statutes such as the Merchandise Marks Act (Chapter 14:13) provide enforcement measures in the event of false trade descriptions on any goods, false indications of origin and controls the marking of goods in Zimbabwe or being imported into Zimbabwe. In addition, a law creating a special Intellectual Property Tribunal was recently created to deal with Intellectual Property Rights (IPR) disputes. This court is not yet operational.

It is also noteworthy that a right holder can also get civil protection for an unregistered mark through the common law of passing off. This right was specially reserved by section 6 of the Trademarks Act (Chapter 26: 04). This remedy is available under the common law via the law of delict (tort). Over the years a number of such cases have been heard in the courts. These cases show that there exist trademark infringement problems in Zimbabwe. See for example

*Kellog Co v Cairns Foods* 1997 (2) ZLR 230, *Mobil Oil Zimbabwe P/L v Travel Forum Ltd* 1990 (1) ZLR 67 and *Zimbabwe Gelatine P/L v Cairns Foods P/L* SC-130-2002. An applicant in a passing off action has to prove that he is the owner of the mark; has goodwill and reputation in the mark in order to succeed.

It is noteworthy to point out at this stage that Zimbabwe unlike South Africa for example does not have an anti-counterfeit law in its statute books. This state of affairs is not good for the protection of the rights of trademark right holders. This is because while all forms of counterfeiting of a trademark amounts to infringement, not all forms of infringement can be counterfeiting. Therefore proving certain forms of infringement may be difficult and generally resort to the criminal law becomes difficult for right holders in the absence of anti - counterfeiting laws. In addition, the Trademark Act does not recognise statutory damages for certain classes of infringement making proof of damages difficult for trademark holders.

## **1.2 Statement of the problem**

Trademark infringement and counterfeiting activities are on the rise globally and some of such goods are finding their way to the market in Zimbabwe. Various goods are passed off, infringed or counterfeited in various parts of Africa. These range from luxury goods, medicinal drugs, motor vehicle spares, seed, pesticides

and other commodities. Some Zimbabwean right holders have been victims of this problem. A case in point is the recently reported case of counterfeit seed maize in Chinhoyi reported by the Herald Newspaper on 9 October 2013. In that case three accused persons appeared before a Chinhoyi magistrate after they had been arrested selling fake Seed Company seed maize to the public. The accused had used packaging material from the Seed Company to package ordinary maize that they had dyed to make it appear as if it was treated certified maize from Seed Company. The obvious public interest in cases of this nature is self evident.

The courts have also added their voice to the challenge of trademark infringement and other IP violations in Zimbabwe. In the case of *S v Moyo & Anor* HB-21-09 Justice Ndou noted that:

This is novel prosecution in this region for the protection of the creations of the human mind. This is a welcome development in our jurisdiction where .....infringement is very rife but enforcement is extremely low. This scenario has resulted in the confusion of the public as to the source of the goods, products or service. In the circumstances intellectual property rights infringement has to be curbed with zeal and determination.

While this was said in the context of a criminal case, the point applies with equal force to civil disputes.

According to a survey carried by the Standard Newspaper reported on 25 October 2013 Zimbabwe was flooded by unlicensed drug dealers who were selling drugs to the public at undesignated points. The drugs were being imported from neighbouring countries and beyond, particularly Asia. The sellers were

taking advantage of drug shortages in public hospitals, to illegally import such drugs. According to the report some of the drugs, were contaminated, diluted or fake and were being sold in unlicensed locations such as flea markets, hairdressing salons, houses and even workplaces. The World Health Organisation on the other hand reported that about one hundred thousand deaths yearly in Africa were caused by fake or counterfeited drugs. (Mambo, 2013)) According to medical experts this is because the medicines might not have the correct active ingredient, or may have too much of it; therefore there is the risk of overdose. Some of them may not have any active ingredient at all hence they are a hazard to the consuming public. (Mambo, 2013) A culture of effective policing of trademark rights by right holders is necessary to reduce the scourge of fake and counterfeit use of trade marks in the country.

### **1.3 Purpose of the study**

The purpose of this study is to analyze the current problems facing IPR holders in protecting their trademark rights and to look at the current civil law protections available in trade mark law. The study aims to explore the challenges that exist in civil trademark enforcement, the levels of awareness of trademarks rights and to assess the effectiveness of the civil law enforcement regime in the country. An analysis of the current state of affairs in the law will inevitably show

the challenges if any that exist and how they can be resolved so that adequate remedies are provided for trademark violations in Zimbabwe.

#### **1.4 Objectives of the study**

The objectives of this study are to:

- 1) Evaluate the level of trademark awareness of IPR in business in Zimbabwe.
- 2) Explore the level of trademark protection offered by the civil law.
- 3) Assess the effectiveness of the civil enforcement regime in Zimbabwe.
- 4) Suggest where necessary recommendations of how the situation may be improved.

#### **1.5 Research questions**

The following are the research questions underlying this study:

- 1) What are the levels of awareness of trademark rights among businesses in Zimbabwe?
- 2) What are the levels of trademark protection offered by the civil law?
- 3) How effective is the civil method of enforcing trademark rights in Zimbabwe?

- 4) What recommendations can be made to improve the situation in Zimbabwe?

### **1.6 Significance of the study**

Enforcement of intellectual property rights is very important to right holders and other stakeholders such as the State and the public. The government derive taxes from the exploitation of successful brands like Tanganda, Cascade and Mazoe Orange while the public obtain quality products and employment from companies with good brands. The significance of this study is to obtain a deeper understanding of the civil law of trademark enforcement in Zimbabwe. The research also aims to generate a literature resource base for future academic researchers in the area of trademark enforcement in Zimbabwe. A study of the civil enforcement will be of immense help for future scholars of Intellectual property law. The findings of the study would provide valuable information to policy makers and give them an impetus to consider reforming some aspects of our trademark laws. The study will also give fresh ideas to businesses people on how they can safeguard their brands and assert their rights in case of infringement of their trademarks.

### **1.7 Scope of the study/ Delimitation**

This study will focus on civil remedies available in trademark enforcement and not other enforcement measures such as border measures, criminal sanctions and administrative remedies. The study will therefore focus on right holders, trademark agents, and the judiciary. The study will be limited to the geographical areas of Harare and Mutare. Harare is important because it houses many Zimbabwean company headquarters, practicing trademark agents, the High Court, the Supreme Court and the Intellectual Property offices. Mutare is also important because it is where the Africa University and the researcher are located. The city also has a Provincial Magistrate Court, a number of practising lawyers and several manufacturing entities. It was therefore convenient and strategic for the researcher to gather data from there.

### **1.8 Limitations**

Unlike other areas of intellectual property law there are not many statistical data available in Zimbabwe dealing with issues of trademark infringement. While every effort was made to ensure that all questionnaires were returned to the researcher, some questionnaires were not responded to. As a result where more than 70% of the questions and questionnaires were responded to data analysis proceeded. Time constraints and financial limitations led the researcher to focus the study to Harare and Mutare only. However, Harare for example was very useful as it has many of the Zimbabwean company's headquarters, the superior



courts and a number of practising trademark agents and lawyers. Therefore the results obtained from Harare can provide a fair reflection of what the situation is in Zimbabwe as a whole.

### **1.9 Definitions of key terms**

*Counterfeit* means a product made in imitation of something valuable with the intention to deceive or defraud. A counterfeit is a fake, sham or fraudulent imitation of a good or product.

*Enforcement* refers to assertion of rights by the right holder against third party infringers by taking appropriate civil action against them.

*Infringement* means a violation, contravention or breach of another's intellectual property rights.

*Protection* refers to obtaining of legal rights such as through creation, registrations and use of trademarks.

*Trademark* is any sign, word, phrase, symbol or design, or combination of words, phrases that individualizes the goods of a given enterprise and distinguishes them from the goods of its competitors.

*Trademark piracy*- is the use or registration of a well known mark in a country or region where it is not registered by the right holder.

#### **1.10 Structure of the study**

The outline of this research is as follows; Chapter i is the introduction, Chapter ii contains the literature review while Chapter iii contains the research methodology used in coming up with this research. Chapter iv deals with data presentation and analysis of the results obtained in the survey. Chapter vi has the conclusion and the recommendations made by the researcher.

#### **1.11 Conclusion**

This chapter dealt with the preliminary issues of the research. It looked at the background, statement of the problem, the goal of the study, the objectives, research questions and the significance of the study. It was pointed out that the major challenge existing in the market is that trademark infringements are taking place. This chapter also delimited the scope of the research as well as noting the limitations of the study. A lot of literature has been generated on the subject area of civil enforcement of trademarks rights and other IP rights. The literature raises various issues some of them applicable to the Zimbabwean context while others are not applicable. The next chapter will review that literature with a view to finding the best approach to civil enforcement of trademark rights in a developing country like Zimbabwe. Chapter iii will deal with the research

methodology. It will be explained that descriptive research and the triangulation method was used to gather data. Chapter iv on the other hand analyses and discusses the data gathered in the research. The last chapter deals with the conclusions of the researcher and offers some recommendations of improving the civil litigation of trademark cases in Zimbabwe.

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter analyses the literature that has been generated on the subject of civil enforcement of trademark rights. The major international instruments such as the Paris Convention and the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS) enjoin nations to set up various enforcement forums or authorities within their nations. All countries of the world have civil courts that deal with general disputes; the difference is on the approach to civil enforcement of Intellectual Property Rights (IPRs). Some countries have resorted to the use of ordinary courts to determine intellectual property disputes while some have adopted specialized tribunals to carry out this task. Yet others like the United Kingdom have set up technical tribunals that deal with intellectual property cases of different levels. This has made IP justice system accessible and cost effective to the majority. Others have significantly relied on the alternative dispute resolution mechanisms for the protection of IP rights. This chapter will look at the literature that has been generated in relation to the various approaches and the associated debates for and against using these approaches for enforcing trademark rights in particular.

## **2.1 Who should enforce trademark rights?**

It has been argued strongly by Blakeny (2010) among others that it is best that intellectual property rights be left to the right holders for civil enforcement as opposed to the state, particularly in the developing world where resources are limited. This is so “because IP rights are private rights owned by individuals or companies as opposed to public rights”. He further asserts that because of the foregoing, the general enforcement of trademark rights should be a matter of private law and not the state responsibility. This means that the protection of such private personal rights is generally left to the individual right holder. The state simply assists the individual right holder by facilitating certain processes and offering the forum where disputes are resolved. It must be noted however that article 41.1 of TRIPS puts an obligation on states to put certain minimum conditions in their law to allow for easy enforcement of rights. Article 41.1 reads as follows:

Members shall ensure that enforcement procedures as specified in this Part are available under their law so as to permit effective action against any act of infringement of intellectual property rights covered by this Agreement, including expeditious remedies to prevent infringements and remedies which constitute a deterrent to further infringements.

The article clearly imposes a heavy obligation on nations to have effective actions against infringements available in their law. Secondly the remedies must be available expeditiously and carry with them deterrent penalties or remedies.

Therefore, the State has a role to play in enforcing trademark rights to protect the public interest.

According to Halt et al (2012) after a company invests in developing intellectual property rights, it is its responsibility to police the market to ensure that no competitors are improperly benefiting from such intellectual property investments. A high degree of market vigilance is required to manage one's IP rights. Halt says that market vigilance is the key to gathering information about competitive practices and products. This information is critical in detecting infringement of rights and avoiding infringement by third party rights. Such information will have a bearing on enforcement of rights. Once an infringement is discovered it has to be evaluated and its likely impact assessed. From that evaluation a decision can be made of whether to pursue the infringement or not. In line with this, section 9A of the Trade Marks Act (Chapter 26:04) states that infringements of a registered trade mark shall be actionable at the suit of the proprietor and any registered user of the trade mark. This approach clearly appreciates the private nature of trademark rights as well as the fact that such a right is a personal property of the right holder. Policing the market involves doing a number of things such as monitoring the internet for domain names and monitoring the Intellectual Property Journals/ bulletins for new registrations and potential registrations that may have an effect on the right holder's rights.

However, sound as the argument maybe, there are instances where a strict application of this principle may yield undesired results. This is particularly so in cases of organized counterfeiting and piracy. According to the Organization for Economic Co-operation & Development (OECD) report on the Economic Impact of Counterfeiting and Piracy (2007) recent years have seen an alarming expansion of the types of products being infringed, from luxury items to items that have an impact on personal health and safety (such as pharmaceutical products, food and drink, medical equipment, personal care items, toys, tobacco and automotive parts). The report further shows that the items that counterfeiters produce and distribute are often substandard and can even be dangerous, posing health and safety risks that range from mild to life-threatening. The World Health Organisation (2006 report) estimates that about a hundred thousand deaths take place in Africa because of the use of counterfeit and fake medicines.

Counterfeiting and piracy undermine innovation, which is important to economic growth. As a consequence the report argues that the magnitude and effects of counterfeiting and piracy demands that action be taken by the public at large as opposed to the right holder alone. In that regard the report advocates for a united and multifaceted approach involving governments, business and consumers. More effective enforcement is critical in combating trademark counterfeiting. Governments can start by adhering to article 41.5 of TRIPS to reduce the effects of infringements of trademark rights.

Fake drugs cause deaths, medical complications and injury to the public while counterfeiting well known marks causes job losses, loss of tax revenue on the part of governments, poor economic performance and losses to right holders. Therefore, there is justification for the State and the public at large to be involved in preventing trademark infringements in the light of the above observations. While ordinarily it is the role of the right holder to enforce and protect his trademark rights, instances may arise that require a concerted approach of various stakeholders to prevent harm being suffered by the entire community. Such harm may be in the form of dangerous counterfeited medicinal drugs, food items, seed, spare parts for vehicles and other essential goods. For example the WIPO Handbook (2004) notes that an entire season's harvest was lost to pests in one African Country after fake pesticides had been applied to it. Liu (2010) praises the approach where the state intervenes in enforcement of trademark rights to prevent organized counterfeiting. The state can do this by invoking the criminal law and administrative measures.

### **2.1.1 Using the criminal law to protect trade mark rights**

Industry and some commentators such as Liu (2010) have advocated for state initiatives for criminal prosecution of infringements of IPRs particularly trademarks. An increasing number of nations have resorted to using criminal



sanctions for the protection of intellectual property rights (IPR) such as trade mark rights. Liu *supra* notes that there has been a sweeping trend of criminalization of IP infringement worldwide promoted by business and trade associations in the developed countries. He gives the example of China as one of the countries under such pressure. This has been criticized by a number of commentators such as Blakeney and Harms. It is submitted that such pressures must be resisted; instead right owners should use their resources in enforcing their private rights through civil redress provided by the law. Governments should only intervene in the case of organised crime such as massive counterfeiting of trademarks.

Over criminalising infringements is not justified. No valid jurisprudence supports the use of the criminal law for all infringements. It is further doubtful if all infringements can meet the essential elements of a criminal charge. IPRs are private rights whose enforcement should be left to the aggrieved party. Overly criminalizing the law of trademark has the risk of shifting the cost of IP litigation from the private person to the state since the cost of criminal prosecution is borne by the state. Blakeney *supra* (2010:48) puts it this way;

The 'private' nature of IP rights suggests the importance of resolution of disputes between parties either out of court or under civil law. Indeed, as state enforcement of IPRs is a resource intensive activity, there is a strong case for developing countries to adopt IPR legislation that emphasizes enforcement through a civil rather than a criminal justice system. This would reduce the enforcement burden on the government in the case of counterfeiting on a large scale....

The argument makes sense in the majority of cases. It will be burdensome for the state to prosecute all infringements done to a trademark yet the right holder enjoys the benefits from the brand on his own. There are limited instances where the state is justified in getting involved to protect serious harm from taking place to the whole community. This is what TRIPS in article recommends in article 61. Cases of wilful trademark counterfeiting on a commercial scale have to be criminalized.

Mr Justice Harms (2004) is in agreement with Professor Blakeney that the criminal law should be left to the more serious acts of trademark counterfeiting as opposed to all trademark infringements. Liu *supra* says at the superficial level and compared to civil and administrative enforcement mechanisms, criminal control of IP infringements carries stronger potential deterrent effects due to the criminal record and punitive sanctions involved. However, Liu's argument tends to shield the disadvantages of the approach. There is potential abuse of the system by plaintiffs who can call upon the state to intervene in all matters of trademark infringement. The approach if not limited to the serious cases of counterfeiting as advocated above will waste public funds to protect what is entirely a private right. Increasing use of the criminal law results in the state being intimately being involved in the enforcement of private rights at a great public cost. This will inevitably lead to an increased budget to the courts. A balance is needed where resort to the criminal law is done in the serious cases

that have a public effect on the whole community. Again the right holder should weigh in with a civil remedy to recover or recoup the losses suffered by the infringement. Therefore the civil law remedy initiated by the trademark owner will still be necessary to augment the assistance from the State.

## **2.2 Use of the civil court system to protect trade mark rights**

IP is without doubt a technical, specialized and evolving discipline of the law in many developing countries. This holds true in Zimbabwe. Trademarks are fairly appreciated by business in view of the findings made in chapter 4 of this research. In Zimbabwe the Magistrate court and High Court may deal with first instance civil disputes, the former court's jurisdiction is only limited by the value in the dispute. The Supreme Court handles appeals from the High Court. The current limit for the Magistrate Court is \$10 000 in terms of SI 163 of 2012. A party may however decide to approach the High Court with a trademark claim with a value of \$10 000 or less. The question that normally arises is which courts should be given jurisdiction to deal with trademark and other IP cases when they arise?

There are varying viewpoints on the subject. Blakeney *supra* supports the use of lower courts to enforce certain IP disputes in small matters. In the case of

complex matters his view is that those should be dealt by the Superior Courts or specialist courts. Justice Harms is of a slightly different view arguing that the ordinary Superior Courts should be used but with certain judges being responsible for such cases. These can be formally trained IP specialists or on the job trained individuals. Others such as Kong (2005) believe that because of its complex nature IP matters should be the preserve of superior and at times specialist courts. He suggests that judges sitting in such courts should be learned in science and law. While there may be justification for this it is the cost implication that cannot be met by developing countries. Additionally, such courts may fail to have adequate cases to handle considering the level of IP national registrations in most African countries including Zimbabwe.

Article 41.2 of TRIPS requires that procedures for enforcement of IPRs shall not be too complicated or too costly or involve a lot of delays. Delays are generally encountered in various jurisdictions in the handling of civil disputes in the superior courts such as High Court. To ameliorate the situation some countries use lower courts to enforce civil intellectual property involving smaller disputes. The United Kingdom has adopted this approach. The United Kingdom government set up the Patents County Court (PCC) in 1990 to provide a less costly and less complex alternative to the High Court. This was after the recommendations of the Jackson report (2009) that had made the finding that “in

some areas of civil litigation costs are disproportionate and impede access to justice.”

The PCC had been created to resolve lower value IP disputes and IP disputes between SMEs. Changes were made in 2010 in response to concerns that the court was not accessible to many SMEs, because of the prohibitively high costs of litigating in the PCC. Following these reforms in 2010, the PCC became even more attractive, and the number of cases in the PCC has increased substantially since then. The attraction of the court came from the fact that it had faster and cheaper court procedure. The pre-trial proceedings as well as the hearing are shorter in duration as compared to High Court process. The hearing on average lasts one day. The court can hear claims of up to £500 000 and a cap on the costs recoverable from the losing party exists. This limit it to a maximum of £50 000. Commenting on this fact Garbett (2012) writing on Eversheds International said:

This is a point which is especially important for small businesses and individuals who want to enforce their IP rights but have been deterred by the costs and risks of doing so. However, the IPEC is also ideal for large companies seeking to enforce their IP rights in cases where the value of the claim would otherwise make court proceedings uneconomic or unattractive.

From the 1<sup>st</sup> of October 2013 the IPC was renamed IP Enterprise Court (IPEC).

Prior to that in October 2012 the IPC had created a small scale IP matters court that has jurisdiction to hear claims worth £10 000.

The process of the small scale track is simpler, informal and no costs are generally awarded. This covers copyright, trade mark, passing off and unregistered design right cases, and has an even simpler and more informal procedure, similar to that used in the small claims procedure of County Courts. This innovation by the United Kingdom is without doubt useful as it makes justice less costly, faster and accessible. The cost and the time spent in litigation is one of the factors that make any legal system out of reach for many. Would be litigants, individuals and small sector enterprises are deterred and prevented from enforcing their rights in the courts by the cost and delays.

In Zimbabwe the Trade Mark Act in section 9B(c) grants jurisdiction to hear trademark disputes to Magistrates Courts among other courts so long as the value in dispute does not exceed the monetary limit of the said court. This is a good development since Magistrate Court civil process is faster, cheaper and accessible as compared to civil litigation in the High Court. The court fees are less and the fact that Magistrate Courts are located in every town and district means that these are the courts that can be accessed by everyone in Zimbabwe. In terms of the rules of the Magistrate Court legal representation is permitted but not mandatory for parties appearing before a Magistrate Court. See Order 4 Rule 1 of the magistrate court. Order 1 Rule 3 of the High Court is the opposite of the Magistrate Court rule. By comparison a company or any other juristic person cannot appear before the High Court without legal representation. This makes

High Court litigation expensive and very slow as the court is inundated by litigants. For the whole of Zimbabwe there are only two High courts sitting at Harare and Bulawayo and both courts have minimal number of judges. To that extent the provision of 9(B) and (c) of the Trademark act is user friendly and positive in so far as it allows the lower courts to deal with trade mark disputes. What needs to be addressed is the issue of training on the part of the courts.

The challenge that will require resolution is that of training. Training of judicial officers is essential for them to be effective. Such judicial officers require on job training to appreciate trademark and other IP matters, otherwise the expected benefits of quick decisions and lower cost will not be realized at all. Most superior court judges lack knowledge of IP and the same is true for the lower court judicial officers. In fact more may be needed to equip lower court officials with the relevant knowledge. Indeed the case of *S v Moyo* HB-21-2009 discussed elsewhere in this chapter exposes that lack of knowledge among the magistracy. The substantive and procedural law errors made by the lower court in that case were too glaring. Of course, the other contributing factor is that the courts do not handle that many cases in IP as a result they are not familiar with the subject. This is because there are less disputes of IP related matters (whether criminal or civil) that are taken to the courts.

Both the High Court and the Magistrate Court can grant the following remedies to a litigant: an interim interdict, Anton Piller orders, orders for delivery up, final interdict, and an order for damages. In terms of section 9(3)(a) of the Trademarks Act a court awarding damages may have regard to the flagrancy of the infringement and award additional damages or exemplary damages where they are justified. This is a good approach which bases the award of damages on the level of infringement. This provision clearly makes infringements unrewarding to infringers as they are made to pay for all the unjustified benefits they may have received from infringing activity. How the courts will interpret the provision is yet to be seen since the coming into force of the amendment that introduced the provision in September 2010. Another interesting feature of the provision is that it is in sync with article 41.1 of TRIPS. This makes Zimbabwe compliant to the principles of TRIPS.

The other constraint to enforcing rights under the civil process is the cost involved. Litigation is in general a slow and expensive process and it is more so in IP matters due to their complex nature. The United Kingdom Jackson report (2009) finding that “in some areas of civil litigation costs are disproportionate and impede access to justice”, applies to Zimbabwe. In Zimbabwe lawyers charge for their services based on the time spent on a case. In addition, the tariff of charges varies depending on the level of experience. The more experienced the lawyer is the more he or she charges for his or her services. The charges can range from



\$150 per hour to as much as \$400 per hour for the senior counsels in Zimbabwe. Justice Harms notes that legal costs under the common law system tend to be more than in the civil law systems. For example he states that the cost of a typical patent case in the United States ranges from \$1million to \$3million. Of course trademark litigation is not as expensive in Zimbabwe but still cost a fortune. However taking into account the average incomes in Zimbabwe the legal costs mentioned above are still high. The cost of litigation is definitely a factor that a claimant or right holder will consider before resolving to approach the courts in the case of an infringement of his or her trademark rights.

In Zimbabwe the general common law rule is that the award of litigation costs are within the court's discretion. In other words the court can order one party to pay the costs of the other. While the courts normally use the principle that costs follow the event, meaning that the successful party in a civil case is awarded costs by the court, this does not happen in every case. The purpose of this rule is to make frivolous litigation costly. The above rule does not always apply for a number of reasons. Secondly, even where the principle is used the costs recovered from the unsuccessful party are not the full costs that the successful party will have used in the case. This is because the costs have to be taxed according to a tariff and the tariff more often than not bears little relationship to what lawyers actually charge their clients. The court rules peg a tariff of fees that are recoverable from the unsuccessful party. This tariff is less than the tariff that

lawyers use to charge their clients. As a result the costs recovered are only a fraction of the actual expenses incurred. At best a successful litigant in a civil case may get up to three fifths of the expenses incurred. This is a disincentive to civil enforcement of trademark rights through the courts. In addition, unless the unsuccessful litigant voluntarily pays the costs after taxation or agreement on the figure between counsels, the successful party has to execute to get the fees. Execution means more unrecoverable costs in some instances. The attempt at execution may fail if the judgement debtor has no executable property.

The courts do sometimes award costs at a higher scale or at a legal practitioner and client scale. This rate of costs is higher and the successful party recovers all fees paid to his or her legal practitioner. The challenge though is that this award is made in special circumstances where the other party has acted mala fides. For example through abuse of the legal system or behaved in a reprehensible manner during the court proceedings such as deliberately misleading the court. See for example *Momberume v Marange Apostolic Church of St Johanne & Ors* HH-130-13, *Gumbo v Steelnet (Zimbabwe) (Pvt) Ltd* HB-84-13 and *Mutandwa v Zhuwaki & Ors* HH-115-13. As a result such awards of costs are rarely made by the courts. In the main the costs at the ordinary scale are awarded in the majority of civil cases.

Barton and Cooper (2013) believe that adjudication must remain a central option of enforcing trademark rights. Its properties of transparency, clarity, power, precedent, and ability to bring a public regulatory voice to intellectual property disputes make adjudication an invaluable resource. But its accelerating costs, delays, uncertain expertise, and possible relational destructiveness have spawned a private market for alternative methods. The civil process must weather these challenges to remain relevant and useful to users.

### **2.2.1 The role of a judge in civil trademark enforcement**

According to Jackson *supra* the creation and use of IP plays a crucial role in economic activity and in the achievement of many social goals, such as effective health care or renewable energy. He further asserts that the background to any IP regime must be a civil justice system which enables parties to assert or defend their IP rights (IPR). Such a civil justice system must deliver correct judgments at affordable cost in the complex field of IP. (Jackson, 2010) In terms of the Zimbabwean constitution judicial authority is vested in the courts. The courts are independent and only subject to the constitution and the law which they must apply impartially. No person or organ may interfere with the functions of the courts. A number of courts exist in Zimbabwe but of interest to the civil enforcement of rights are the Magistrate court, the High Court and the Supreme

Court. The first two may deal with first instance cases while the latter one is an appeal court. The High Court also deals with civil appeals from the magistrate courts. A specialist administrative court, the Intellectual Property Tribunal also exists in Zimbabwe but it is yet to start operating. Intellectual property rights are in the main quasi property rights in Zimbabwe. Therefore the approach of a court in handling trademark cases is similar as in any other civil matter. At common law and constitutionally all persons are entitled to a fair hearing before an independent tribunal in Zimbabwe.

The role of the judiciary consists in securing respect for and efficient enforcement of legislation and protecting rights and freedoms. It is not sufficient that legislation establishes rights or means of acquiring rights, acquired rights must be guaranteed through efficient channels of justice controlled by a solid judiciary capable of protecting rights against violation and abuse. Badrawi (2004: 1) asserts that:

One of the most important rights for which protection and efficient enforcement must be provided relates to the human intellect.... Efficient protection of such rights encourages creativity and innovation, promotes development of societies and improves quality of life.

Human intellect plays a crucial role in the development of nations and companies. Inventions, arts and culture and other intellectual property spur economic growth and revenues for individuals and the State. As such intellectual property rights just like any other form of property deserves protection by the courts. Harms (2004: 12) has added that the validity of intellectual property

protection depends heavily on judicial system performance and that a right without a remedy is an expensive fantasy. As such innovators and investors can only continue creating new technologies if there is a guarantee that that such right will be protected by the courts in the event of infringement. At the same time infringers will also know that infringement does not pay if properly granted rights are upheld by the courts.

In many instances technological developments outstrips legal development. This has happened in many areas of intellectual property law. See for example such cases as *Northern Office Micro Computers (Pty) Ltd & Ors v Rosenstein* 1981(4) SA 123, *MGM Studios Inc. v Grokster Ltd* 380 F 3d 1154 (9<sup>th</sup> Circuit 2004). Cyber squatting and domain names are one such area of law. As such judges in intellectual property cases have to be proactive and ever willing to learn. This fact was noted by the Zuallcobley et al (2012: 7) where they say, “because IPR constitute an ever-changing area of law, the need for training may be an ongoing cost.” Indeed the intellectual property landscape is littered with so many changes and developments such that the need for constant training of judicial officers involved in the subject is a must in order to apprise them of recent trends. Zuallcobley et al supra adds that without continuing training and education, specialized judges may be less equipped to hear new issues, and the court may become less efficient and consistent. In addition, to the training an individual

judge must be able to be practical and proactive so as to deal with new issues using old laws.

An element of judicial activism is necessary to deal with such changes or with evolving challenges such as widespread infringements. A case in point is the approach adopted by the Chinese courts in 2005 where they held that landlords are contributory liable for trademark infringement perpetrated by their tenants with their knowledge. The plaintiffs were brand owners of Burberry, Chanel, Gucci, Louis Vuitton and Prada against the landlord of the Xiushui Market – also known as the “Silk Market” – together with five individual vendors. Each of these vendors had been identified as selling the plaintiffs’ illicit brands on at least two occasions. The plaintiffs issued warning letters to the landlord seeking assistance in stopping the infringements. The landlord had ignored the letters.(WIPO Magazine 2008)

The courts confirmed that, after receiving notice of violations by particular vendors, the landlord must take prompt and effective measures to stop the infringements. The court also ruled that the landlord and vendors should be jointly and severally liable to pay compensation for losses, plus enforcement costs, totaling around US\$2,500. The landlord appealed. On appeal the Beijing Higher People’s Court rejected the appeals. It is submitted that the level of judicial activism in the above cases is to be encouraged in the field of trademark

law where legal trends often lag development trends. Dealing with willful infringements and violation of trademark rights require a robust approach to enforcement.

Protection of intellectual property rights require judges and court officials who are proactive, willing to learn and robust for it to be effective. Without the prospect of protection of rights inventors and other intellectual property right holder will lose any incentive to invest in the creation of intellectual property rights. For the court to be able to control the proceedings effectively, the court must knowledgeable and up to date with the law and technology in dispute. While the common law tradition limit the judge to playing a passive role as compared to the inquisitive role of the continental judge, the judge in Zimbabwe must still control the proceedings. The Court is not merely an umpire but holds a duty to see to it that justice is done. Where necessary it is within the judge's responsibility to take measures that curtail the litigation process as well as reducing the costs of the process.

### **2.2.2 The role of lawyers in civil enforcement of trademark rights**

Like their bench counterparts legal practitioners too have an important role to play in ensuring the adequate protection of trademark rights and other intellectual

property rights. It is the legal practitioners who guide the court on the issues in contention, the applicable case precedents and the state of the law through the pleadings they file as well as the submissions they make in court. As such poor quality practitioners are unhelpful to the bench. In addition, it is from the pool of active practitioners that judges are normally appointed from therefore a well qualified team of lawyers is an effective requirement for the enforcement of intellectual property rights.

### **2.3 Special intellectual property courts**

Article 45.5 of the TRIPs agreement does not require of countries to create specialist courts for the enforcement of IP rights. The provision does not totally prevent but merely lays out a minimum requirement which a country may surpass if it chooses. What is the best option for Zimbabwe in this regard? Blakeney *supra* believes that the creation of specialist courts is not best for developing nations. Justice Harms *supra* concurs with that sentiment. Kong (2005) holds a different view. Commenting on the context of China, he says that judicial enforcement of IPRs requires highly specialized and professional adjudicators learned in science, engineering and law. Such professionals are then appointed to the IP specialist courts with the sole mandate of hearing IP disputes. His argument is that once that is done “a degree of consistency in law



enforcement is assured.” (Kong: 813) Justice Harms disagrees with this approach. He says:

Specialist IP courts are not always affordable or feasible. In a given country there may be a general lack of resources, a low IP case load and little IP expertise. A centralized IP court may make access to justice illusory. Sometimes common sense may be more important than expertise because it is a moot point of whether all IP work is specialist work. Can a judge, who can read, not see whether one book is a copy of another? Can a judge, who can hear, not find that one piece of music is a copy of another? And can a judge, who lives in a real world, not decide whether or not one trademark is confusingly similar to another? (Harms 2004:10)

Justice Harm’s argument makes good sense for poor nations but can also be too simplistic to an extent. While the point concerning resources and case load are valid and strong the latter part of the argument is weak. Granted some IP matters may be decided on a common sense approach, this does not apply to all IP matters. For trademark the argument holds true. In Germany for example they have a Federal Patent Court whose role is to hear appeals from the German Patent and Trademark office and to hear patent validity cases. This fact clearly confirms the fact that they appreciated the complexity of these types of cases.

Speaking on the German Patent Court composition Bornkamm’s (2004: 4) said that the Patent court is famous for one feature, that in trademark cases the judges all have a legal background, while in patent cases there is a mixed bench. In such cases the court is made up of judges with legal, scientific and technical background. As a consequence of this type of composition he notes that “it no

wonder that this court hardly ever hears expert evidence”. In addition to this court only specialist courts deal with intellectual property cases in Germany.

The argument made by Kong is valid but its applicability to a developing or a least developed nation that is grappling with resource constraints is doubtful. The argument about technicality is more applicable in the technical cases dealing with patents but not to other IP matters such as copyright and trademark as noted by Justice Harms. Resource constraints and fewer IP cases in Africa may suggest that such a move may not be the best. It is a fact that IP registrations by locals in Africa are insignificant and to suggest that there can be many IP disputes to keep such a specialist court busy may be a fallacy.

### **2.3.1 The Zimbabwe Intellectual Property Tribunal**

Some developing countries such as Thailand have established specialized courts to hear IP disputes in their jurisdictions. Zimbabwe adopted a similar model by enacting the Intellectual Property Tribunal Act (Chapter 26:08) in 2001, but brought into use in September 2010. Zimbabwe in its written response to the TRIPS Council in 2005 at the time it was seeking membership to TRIPS asserted that it had established an intellectual property tribunal to adjudicate over all civil matters pertaining to enforcement of intellectual property rights. It was further

said that “recruitment of the judges of the Tribunal is complete and it is expected that the Tribunal will start operating shortly”. Contrary to the optimism contained in the statement the court is to date not operational. It appears financial problems has hindered the commencement of operations of this important court in Zimbabwe.

The Intellectual Property Tribunal Act (Chapter 26:08) as read with various IP legislations empowers this court to hear disputes in civil matters concerning the enforcement of IP from the Trademarks Act(Chapter 26:04), Patents Act(Chapter 26:03), Copyright and Neighboring Act (Chapter 26:05),Geographical Indications Act(Chapter 26:06), Industrial Designs Act (Chapter 26:02) and the Integrated Circuit Layout-Designs Act (Chapter 26:07). In terms of section 7 and 8 of the Act, the Tribunal shall exercise jurisdiction in all civil matters arising from the above enactments. As part of its powers the court shall have the same powers as the High Court in civil cases in making orders requiring a party to pay security for costs, securing the attendance of any person before it and making discovery of documents. Another positive aspect of the Act is that the court has powers to enforce its decisions. This is unlike the Labour Court created by the labour Act which has no power to enforce its own judgements. The labour Court relies on other courts such as the Magistrate Courts and the High Court to enforce its judgements. This creates unnecessary further litigation in the said executing courts as well as delays in finalising labour matters. See *Ndlovu v*

*Higher Learning Centre* HB-86-10, *Chiraire v Mt Darwin Bazaar* HH -121-13, *Baudi v Kenmark (Pvt) Ltd* HH-4-12. All these cases were opposed applications for enforcement of an arbitral awards in terms of the Labour Act. The position in the Intellectual Property Tribunal Act is positive and the legislature may have learnt from the challenges experienced in the Labour Court with regard to execution of awards and judgements.

The specialist tribunal does not take exclusive jurisdiction in all IP matters but shares it with the other civil courts. IP related disputes can be heard in the ordinary courts or in this specialist court. Section 9B of the Trademarks Act (Chapter 26:04) reads as follows;

**9B.** Proceedings in respect of an infringement of a registered trade mark may be instituted—  
    (a) in the Tribunal; or  
    (b) in the High Court; or  
    (c) subject to the jurisdictional limits provided for in the Magistrates Court Act [Chapter 7:10], in a magistrate's court: Provided that the Tribunal shall not have jurisdiction to entertain criminal proceedings.

The positive thing about the above section is that it does not bestow exclusive jurisdiction in IP matters to that specialist court but makes that court compliment the already existing courts in the country. This makes justice easily available to right holders. The Zimbabwean delegation's response to the Council of TRIPS *supra* made the same observation in their statement where they said:

It is important to note that litigants are not restricted to the use solely of the Intellectual Property Tribunal for the enforcement of their intellectual property rights. They can still elect to refer their disputes to the

Magistrate Court .... or the High Court as courts of first instance. This is deliberately meant to cater for the entire spectrum of litigants whose sophistication in legal matters differs. Further, it makes the enforcement machinery easily accessible to litigants, hence, the speedy resolution of disputes.

This observation is apt but the challenge is that the court is not yet operational hence the benefit of quick resolution of intellectual property disputes is yet to be seen. The court is expressly precluded from hearing criminal matters.

Unlike the High Court Rules the legislation creating the Tribunal allows parties to appear before the court in person or as represented by legal practitioners. The allowance for self actors to appear before the court can help individuals and small corporates to enforce their rights through the forum as opposed to the High Court which compels companies of whatever size to be represented by counsel thereby making justice expensive for parties. This submission does not seek to show that counsel is not useful but rather that it is not every litigant who can afford legal representation. At the same time without legal representation presenting a case before a court is a mammoth task for many people of average sophistication.

It is submitted that notwithstanding the positive aspects of the Intellectual Property Tribunal Act, Zimbabwe is not yet at a stage where it can afford a specialist court for intellectual property cases only. The level of IP cases brought before our courts over the years as well as the economic position of the country suggests other approaches to making justice available to intellectual property

litigants are necessary. In fact the fact that despite the enactment of the act the court is not yet operational vindicates this position. As an alternative to a specialist court Blakeney's suggestion of a middle of the road approach is best. In this approach he suggests that a nation establishes or strengthens existing commercial courts so that they can handle IP matters better. Justice Harms further suggests instead of setting up specialist courts IP matters can be diverted in the general court system to judges with specialist knowledge of the subject. Practical knowledge of the subject being preferable as well as knowledge obtained during training sessions for judges. The two proposals are essentially similar and have merit for a country like Zimbabwe. This can be coupled with a considerable training programme for the judiciary and other IP enforcement agencies. The need for training is very real in Zimbabwe. See for example the glaring errors that were done by a magistrate in an infringement case in *S v Moyo & Anor* HB-21-09. The reviewing Judge noted glaring errors that were done by the trial Magistrate. The courts need to be equipped with pertinent trademark and other IP knowledge for them to function effectively. While setting up a specialist court is good, the court is not affordable in Zimbabwe at the moment.

#### **2.4. Administrative enforcement of trademark rights**

Given the expense and complexity of judicial enforcement of intellectual property rights, administrative remedies are often a less expensive option.

Blakeney *supra* says in the People's Republic of China there are two governmental administrative bodies which handle IP matters. These are the Administration for Industry and Commerce (AIC) and the Technology Supervision Bureau (TBS), the former handles trademarks, trade dress and trade name disputes while the latter handles cases of pure counterfeit under product quality law. This protection is considered to be comprehensive, speedy and low cost. In relation to trade mark disputes, seeking an administrative route for enforcement is the norm in China.

In this approach administrative government bodies exercise specific powers without recourse to the courts. The administrative units have powers of inspection and punishment such as confiscation of the infringing goods and imposition of fines. Liu *supra* states that the majority of IP enforcement matters in China are handled by administrative bodies as compared to civil and criminal courts. He says;

There are three levels of IPR enforcement in China which include administrative, civil and criminal response mechanisms. Aggregate official enforcement statistics clearly show that the majority of IP infringement control efforts in China are proactive and carried out by various administrative agencies. However the number of civil IP cases concluded by the civil courts has been growing steadily each year.

Other countries have not used the administrative method as effective as has been done by China. As compared to the civil litigation the major advantage of this system is its simplicity as well as reduced costs. Liu *supra* agrees, he says that

due to its proactive nature, low cost, and relatively efficient procedures with ample space for discretion, administrative sanctions, especially fines, are currently the main means of IP infringement control in China.

The administrative route cost less than the civil litigation route in most instances. The disadvantage of the approach is that administrative bodies can easily be abusive especially when dealing with foreign nationals or companies. Secondly, since they are part of the executive there is always a fear that they may have a bias in favour of the government or nationals. What is important is that the officials involved in the system be fair in their approach. Zimbabwean administrative law does not make much of a distinction between the decisions of administrators and those of quasi judicial officials. All officials have to act fairly when their actions affect or potentially affect the legitimate expectations of the public. See for example *PF ZAPU v Minister of Justice* (2)1985 (1) ZLR 305 (S), *Public Service Commission v Tsomondo* 1988 ZLR (1) ZLR 427 (S). To that extent such bodies require some training on the basic rules of natural justice for them to be effective. In any case what is apparent is that administrative enforcement can only work better if it is used in conjunction with the civil enforcement method. This is because in terms of the laws of Zimbabwe and in terms of 41.4 of the TRIPS agreement parties have a right to petition a court on review or appeal from the decision of an administrative body. Denying parties the right to approach the courts against the decisions of administrators would be



unconstitutional and contrary to the principle of TRIPS. Consequently the method can only work if operating side by side with civil enforcement method to yield good results.

## **2.5 Challenges in civil enforcement of trademark rights**

Enforcement of rights through the civil method has met with some challenges in Zimbabwe. The problems range from lack of exposure to intellectual property matters including lack of judicial precedents for the courts, practitioners and owners and low levels of damages awarded for infringement cases. In addition, the country lacks a viable alternative dispute resolution system for intellectual property matters to complement the courts in certain circumstances. The cost of enforcing rights in the civil courts is also on the high side.

### **2.5.1 Lack of exposure to trademark and other IP matters**

Intellectual property is a relatively complex and unfamiliar subject to many Zimbabweans. This unfamiliarity with the subject applies to an extent to lawyers and some judicial officers. The latter fact is confirmed by the fact that of the few reported intellectual property cases that were heard in the magistrate courts, the majority of decisions made were reversed on appeal. See for example the cases of *S v Ndlovu* supra and that of *S v Chiadzwa* HH-28-04. In both cases the

relevant legal principles were not applied leading to the convictions being set aside on review and appeal respectively. The Kenyan Court of Appeal in the case of *Sanitam Services (E.A.) Ltd v Rentokil Kenya Ltd & Anor* [2006] eKLR 228/2004 acknowledged that intellectual property is a sparsely litigated subject in Kenya. The court said intellectual property is "...a branch of law which has scanty litigation and therefore minimal jurisprudential corpus in this country..." This observation with the necessary changes being made applies with equal force to Zimbabwe. There is few to limited jurisprudence in the field of intellectual property even for the so called soft IP such as trademarks.

Apparently this problem does not only apply to developing countries as the recent Canadian case of *R v Stowbridge* (2014 NLCA 4) will show. The accused was convicted by a judge in Newfoundland for selling trademarked goods without authority in violation of the Canadian Criminal Code and other IP violations. For the first offence he was sentenced to 180 days in prison and a fine of C\$5000 and for the trademark offence he was sentenced to 180 days imprisonment to run concurrently with the copyright violation sentence. He appealed arguing that the penalty was disproportionate. The appeal court agreed with him. The prison term was reduced to two months and the fine was quashed. In doing so the appeal court noted that there were no reported cases in the province of Newfoundland in respect of trademark offences. The court was compelled to rely on decisions of other jurisdictions. There are indeed parallels

between this case and the two cases cited above. Both courts did not have local precedents to rely on in dealing with the cases before them. Secondly the first instance courts made errors in sentencing the accused because of unfamiliarity in dealing with trademark offences.

In addition, Zimbabwe being a common law jurisdiction the courts, lawyers and right holders rely on case precedents to guide them. Suitable case precedents do not exist due to limited decided cases having gone through the court system. The problem is most acute for matters dealing with damages for trademark infringement. As a result judges and practitioners have to grapple with lack of suitable precedents for use to guide their activities and work. This lack of precedents complicates and makes the work of lawyers and courts in intellectual property cases difficult. See for example the three cited cases above. Intellectual property being a specialised area is neither a compulsory programme for students at law school nor is it a requirement for the appointment of one to be a judge of the High Court. Many universities both in Zimbabwe and elsewhere offer intellectual property as an optional course in the law school curricula. The same is true for the appointment of magistrates. The challenge is that both magistrate and High Court judges in the civil court have a chance to deal with intellectual property cases in the course of their work. Granted a judge or a magistrate need not have studied all known legal courses to qualify for appointment, what needs to be addressed is the need for on job training in intellectual property.

The situation pertaining to the training programme of judges and magistrates apply with equal force to the position of lawyers in private practice in Zimbabwe. The relevant intellectual property statutes such as the Trademark Act (Chapter 26:04) and the Patent Act (Chapter 26:03), for example makes any registered lawyer a potential patent or trademark agent in Zimbabwe. This has the net effect that a lawyer who never formally trained in intellectual property can become an intellectual practitioner appearing before the superior courts of Zimbabwe. This situation may result in poor quality submissions before the court if such practitioner is not diligent. While some lawyers who have no formal training in the field of intellectual property can become good intellectual property practitioners, some form of on job training may be necessary in some instances. Likewise a court which is not very conversant with the area of law concerned cannot easily appreciate issues and manage the litigation effectively let alone pass quality and consistent judgements that can be relied on by the public. As a consequence consistency and predictability of the law are lost from such a court. It is submitted that a level of on job training for the courts is justified and necessary to improve on the quality of judgements made by the courts.

To the general public the subject of trademarks and intellectual property in general is technical and foreign. Only a few people understand what intellectual

property is and how it operates. As a result many trademark infringements take place unheeded because the right holders are not aware that their rights have been violated or that a right exists in the first place. Often time the rights are not legally registered or protected hence proof of trademark infringement is often difficult. As a result many right holders have resorted to passing off actions to get redress for infringements. Even for the cases of infringement that have been taken to the courts low amounts of damages have been awarded. This has discouraged right holders from enforcing their rights in future.

#### **2.5.2 Low levels of damages awarded by the courts in trademark cases**

Article 45 of TRIPS enjoins national laws to provide for damages that are adequate to compensate the right holders. The damages granted in a trademark infringement case are delictual in nature and aim at compensating the owner of the right for his patrimonial loss sustained through the infringement. See *Omega Africa Plastics (Pty) Ltd v Swisstool Manufacturing Co (Pty) Ltd* 1978 (3) SA 465 (A) 471. According to Cornish and Llewelyn (2003) the regular aim of an award of damages is to compensate the plaintiff for the harm and or injury caused by the defendant without any justifiable cause. The damages seeks to put the right holder in the position he would have occupied had the damage not been caused. Lord Wilberforce put it succinctly in the case of *General Tyre & Rubber*

*Co v Fire Firestone Tyre & Rubber* [1976] RPC 197 (CA) 214 where he said that; “the measure of damages is to be as far as possible, that sum of money which will put the injured party in the same position as he would have been if he had not sustained the wrong”. The aim of the damages is not to punish the defendant but to restore the victim to the position he would have occupied but for the wrong. This is not a simple exercise and the courts have grappled with this question in a number of cases in Zimbabwe.

It is the duty of the plaintiff to adduce evidence to show his loss and the court in turn has to assess and grant damages if loss or injury is proved. Harms, supra notes that the ordinary civil courts have difficulty in determining compensation for infringement of intellectual property rights. In many instances the measure of damages is the loss of profits the owner has sustained in respect of the infringing articles he could and would have made and sold. The courts sometimes use the notional royalty that could have been paid if there was a licence agreement as the starting point in ascertaining the damages due to the plaintiff. In an attempt to assist the courts in assessing damages better some legislatures in some countries have resorted to pegging pre-estimated damages in statutes. No statutory or pre-estimated damages are provided for in Zimbabwe.

The Trademark Act (26:04) now allows a court to award additional damages if the defendant flagrantly infringed the rights of the right holder. Bently and

Sharman (2009, 1121) relying on *Redrow Homes v Betts Bros PLC* [1998] 1 ALL ER 385, 391 argue that it is not clear whether these damages are restitutionary, compensatory or exemplary in nature. It is submitted that the provision to an extent empowers a court to grant punitive damages in the event of flagrant breach of the rights of the owner or where the defendant has benefitted immensely from the infringement. What is clear though is that the damages can only be awarded in special cases and not in every other case.

Surveys of the cases that have been heard by the Zimbabwean courts tend to show that where liability is proved by the right holder the courts have awarded low damages. This is because the courts have been very conservative in their approach. Where necessary the courts have to their credit been very ready to grant restraining orders (interdicts) where the rights of applicants were at risk of continued infringement. The paragraphs below will analyse some of the decided cases that have been heard by the Zimbabwean courts.

In the case of *Polaris Zimbabwe (Private) Limited v Zapchem Detergent Manufacturers CC* SC 68-04 in which an interdict and delivery up of certain materials was sought, the court granted the relief sought. No monetary remedy was sought by the applicant in the case.

*Unilever P.L.C. and Another v Vimco (Pvt) Ltd and Another* HH-175-2004 was another passing off action where no monetary damages were sought by the

applicant. The remedy that was sought by the applicant was an interdict and an order to cease using a trademark or trade name similar to the registered trade mark of the applicant. The respondent had used the name 'Vimco' to its scouring powder when the applicant had a registered mark 'vim'. The court concluded that the use of the name vimco was likely to mislead the public and granted the interdict sought. *Zimbabwe Gelatine (Pvt) Ltd. v Cairns Foods (Pvt) Ltd* SC-130-02 was another passing off and an infringement of a registered mark of the respondent. In contention between the two dog food manufacturers was the use of the word 'kibbles'. The word was part of the registered mark of the respondent and the court granted the order for an interdict as well as an order for delivery up to the applicant for obliteration of the mark Kibbles, on all packaging, labels, wrapping, advertising matter and other documents in the possession of the appellant.

## **2.6 Alternative dispute resolution of trademark disputes**

Alternative dispute resolution (ADR) is another mechanism of dispute resolution that can be used to handle trademark enforcement matters. These alternative methods include private discussion and negotiation, consultation with an advisor or neutral, mediation, online settlement procedures, arbitration, expert determination, and court-centred settlement efforts. While strictly not part of the



civil enforcement method, it is intricately connected with it in that after the award is rendered through mediation or arbitration it is invariably executed by a court and in some instances either party may approach a court on review. The major forms of ADR are arbitration and mediation. Arbitration involves an independent party hearing the case and rendering an award thereafter, while mediation does not lead to an award. Rather parties who have an ongoing or continuing relationship agree to have a third party assist them to come to an agreement on their dispute. The mediator simply makes suggestions for settlement but cannot compel a party to commit to an agreement or settlement. He only acts as a facilitator of a settlement or agreement. If a settlement is reached it is written down and is signed by the parties. The settlement will then be enforced as any other contract. Arbitration and litigation have much in common as both lead to a decision which is enforceable by coercion, the dispute is heard by an independent third party who renders his decision thereafter.

However, many commentators such as Justice Harms (2004) do not see any hope of resolving trademark disputes in this mechanism. His argument is that counterfeit or infringement disputes are not suited for ADR. He sees an infringer as not being a bona fide defendant who can agree to submit to private litigation in the form of mediation or arbitration. Blakeney *supra* urges developing countries to adopt mediation and arbitration in the enforcement process of IPRS. He sees the method as a process that reduces the expenses and the bureaucratic

delays in the enforcement process especially in the developing countries. Contrary to the views of Harms the alternative dispute resolution process is suitable for trademark disputes concerning domain names. In the context of domain names disputes it is permissible to have disputes dealt with by the administrative mechanism set by the Domain Name Dispute Resolution Policy and Rules (UDRP) managed by WIPO and Internet Corporation for Assigned Names and Numbers (ICANN). The UDRP is an effective and inexpensive match to the cyber-squatting problem it addresses. But its success is not easily duplicated in other areas. Some cases of infringement are not suited to the mechanism of arbitration and mediation in many instances. It is noted that if parties apply their minds to it there is greater room for arbitration of trademark cases in Zimbabwe. A number of factors are necessary to allow arbitration to be a procedure of choice in intellectual property disputes.

The process of arbitration has positives in that it allows the exchange of information which leads to settlement of disputes at an early stage. The other advantage of arbitration and mediation is that the parties may be able to maintain their relationship after the dispute is resolved. This is particularly true in cases where the mediation route is taken. There is more room to settle a case which is before arbitration, mediation or conciliation than a case which is being litigated in court. This seems to arise from the fact that adversarial litigation promotes hostility or extreme positions from the parties. In addition, court process allows

either party to win or lose the case thereby giving less room for the parties to explore common positions and interests. Notwithstanding these advantages, trademark disputants in Zimbabwe have been somewhat slow to accept mediation. Some cultures, for example, resist mediation because it lacks authoritative involvement of the state. In other legal traditions, the reluctance may stem more from the highly complex fact patterns often involved and the technical nature of some IP laws. (Barton and Cooper 2013: 5)

#### **2.6.1 The challenges that litigants in trademark disputes face in relation to arbitration in Zimbabwe**

ADR in civil cases in general and in intellectual property cases in particular is not a process of choice for many litigants in Zimbabwe. A number of reasons can explain that lack of interest. The main challenge that exists in the enforcement of intellectual property disputes through arbitration or other forms of ADR is that there are not as many qualified IP arbitrators in Zimbabwe. Where those individuals exist they may not be acceptable to litigants in certain international disputes. Souza (2001, 428) explains in part that the problem is aggravated by the relatively limited pool of qualified and experienced Africans available for appointment as arbitrators, conciliators or counsels. He adds that even where there are such qualified personnel foreign companies or individuals are happier appointing a foreign person to hear or argue their case as opposed to a local one.

While there is a Commercial Arbitration Centre in Harare, many of the arbitrators affiliated to the Centre are not experts in intellectual property matters. This is exacerbated by the fact that there is no direct execution or enforcement of an arbitral award after its grant. Barton and Cooper *supra* argue that this need for a second look by a court “undermine the flexibility of arbitration, which would in turn reduce its attractiveness as an alternative to the courts.” At the same time there are also compelling arguments for this such as the fact that particular economic and social policies can come under stronger control through the judicial review thereby ensuring that there is consistency and predictability in the law enforcement. A fully private enforcement system may be counterproductive. The arbitration clause can require strict confidentiality such that the public may not have access to the goings on in the arbitral process.

The award is enforced by the ordinary civil courts after filing a court application which the other party may spuriously oppose, thereby delaying the finality of the litigation as well as increasing the costs for the process. It is the norm that an application for registration of an award is opposed. While the magistrate court process of registration is relatively simpler and cheaper the magistrate court process is limited to awards that are \$10 000 or less. This creates a big problem to litigants with intellectual property disputes who might desire to use local ADR measures to settle their disputes.

The other challenge that exists is that there is ignorance, lack of information and materials for use in the arbitration process in Zimbabwe. Souza (supra, 421) makes this point this way:

One reason for general development lack in, and interests about, arbitration in Africa is lack of knowledge on, and information about the process, its attributes and potentials.

This ignorance to an extent affects even some practising lawyers. Not many practising lawyers in Zimbabwe have an interest in either arbitration or intellectual property. As a result when they draft agreements for parties they do not insert arbitration or mediation clauses in the agreements. Instead, they insert clauses giving jurisdiction to entertain disputes to ordinary civil courts such as the magistrate court and the High Court. This has led to some technical disputes that would have been very suitable for ADR being heard in the ordinary civil courts to the detriment of the parties and to the disadvantage of the court system. Where the arbitration clauses are inserted in agreements they may be poorly drafted to such an extent that they are easy to challenge.

One of the justifications for the use of arbitration as compared to litigation is that the process is cheaper. However an analysis of the process and some of the bottlenecks of the system may suggest that the arbitral process is equally expensive as civil litigation. Unlike the court system the parties to arbitration pay all the costs including the arbitrator's fees which do not happen in the court system. Secondly, in some instances the arbitrator's fees are pegged on the basis

of the amount in dispute meaning that the higher the amount in dispute the more the arbitrator charges. The lawyers representing the parties may also charge fees based on the same criteria. After the award the successful party has to make a fresh court application to register the award in another forum. This process adds to the legal fees payable by the parties and has no parallel in the civil court route. All these processes increase the cost to the extent that the costs of arbitration nearly match if not exceed those of civil litigation in some instances. The only genuine benefit is that the hearing process is shorter by far as compared to the civil litigation route. The exchange of pleadings is limited as compared to the civil process and as a result awards can be rendered much quicker.

The Courts have to an extent contributed to the lack of resort to arbitration in Zimbabwe. They have not respected arbitration clauses in contracts with the sanctity that they deserve. A case in point being that of *Kathrine Thornton v S. Mackenzie & 2 Ors* HC- 5208-05 where despite the existence of an arbitration clause the court assumed jurisdiction in the case. The court reasoned that, “the view I take is that although the parties expressly agreed that any dispute arising from their contract be finally determined by arbitration, they were not by so doing ousting the inherent unlimited jurisdiction of the High Court.” The court relied on *Cargill Zimbabwe v Culvenham Trading (Pvt) Ltd* HH-42-2006 at 3 in holding that such a clause merely compliments the court process but does not oust it. Makarau JP in that case stated that:

An arbitration clause does not have the effect of ousting the jurisdiction of the court. It merely seeks to compliment the court process in resolving disputes by engaging in an alternative dispute resolution process but remains under the control of the courts.

In the face of such decisions from the courts parties can easily ignore the contents of agreements or contracts they signed by rushing to the courts instead of referring their disputes to arbitration. Despite some of these challenges it is submitted that alternative dispute resolution holds a lot of potential in trademark cases in Zimbabwe. The alternative processes to litigation compliment the civil litigation process and presents an opportunity for further expansion. Other than arbitration the other alternative dispute resolution methods such as mediation and conciliation ought to be considered by parties in trademark disputes before resort is had to litigation. The alternative routes of settling disputes are user friendly, shorter, cheaper and maintains relationships instead of destroying them.

## **2.7 Conclusion**

This chapter reviewed the literature on the subject of civil enforcement of trademark rights and other IP rights in general. A number of approaches to enforcing rights within the civil law context have been advocated by different commentators. These range from using lower courts to superior courts on the one hand and the use of specialist tribunals on the other. There is convergence of views among the commentators that the civil process plays a key role in the resolution of trademark and other IP disputes. Within this convergence there is still a discernible difference of approach with some like Kong *supra* advocating

for the strong use of specialist IP Courts on the basis that IP is a technical and multidisciplinary subject which requires specialists to handle such disputes. On the other hand Blakeney cautions that specialist courts are not a priority for developing countries for a number of reasons such as the cost for setting them up as well as inadequate case load for such courts. The better view seems to be that the existing courts (both lower and superior courts) should be given jurisdiction to deal with IP disputes. In this way justice is made accessible to the right holders and the public cheaply and faster. This is especially so when lower courts like the magistrate's courts are empowered to hear trademark and other IP disputes. To that extent such courts need to be improved to enable them to carry that responsibility well. Lessons from the United Kingdom on the formation of tribunals that can deal with intellectual property cases faster, cheaply and conveniently require serious consideration in Zimbabwe. Justice must be available, accessible and on reasonable cost to make the law benefit all spectrum of citizens. The next chapter is going to analyse the various methodologies for data collection and analysis.



## **CHAPTER 3**

### **RESEARCH METHODOLOGY**

#### **3.0 Introduction**

This chapter dealt with the research methodology used by the researcher to carry out the study in this project. Data gathering is very important to the validity and reliability of any research exercise. In this research the triangulation method was used. This method used elements of the quantitative and qualitative data gathering approaches. This was done to improve the quality and validity of the results of the survey. The quantitative and qualitative approaches were used to complement each other. This has led Laboritz and Hagedon (1976) to assert that no single research methodology is intrinsically better than any other. In addition individual methodologies have certain weaknesses that justify the use of other approaches to reduce or extinguish such weaknesses.

#### **3.1 Research Design**

Thomas and Nelson (2001) define an experimental or research design as a plan of procedures for data collection and analysis that are undertaken to evaluate a particular theoretical perspective. The best design is one that collects the maximum amount of information at minimal cost and time. Wimmer and

Dominick (1987) assert that depending on the subject matter being studied some questions may require a survey via telephone, mail or in person interviews. In this study the researcher opted for the descriptive survey whereby the use of questionnaires was used and a limited amount of interviewing was done on respondents.

### **3.2 The survey**

As already alluded to in the previous paragraph the descriptive survey as opposed to the analytical survey was used in this research. This was done because the descriptive method attempts to picture or document current conditions and attitudes. In other words the descriptive survey describes what exists at a particular time. This approach has certain advantages such as that it investigates problems in realistic settings and that the cost of the survey is reasonable as compared to the amount of information obtained from the research. Using this method large amounts of data were obtained at relatively less cost. On the down side it was noted that independent variables could not be manipulated using this approach in the same way as will happen in a laboratory experiment. The danger of biased results emanating from poorly drafted questionnaires was curtailed by appropriately worded questions that were short, clear and to the point.

### **3.3 Sampling**

Due to the limited time that was available and resource constraints the researcher could not carry a study of a big population. A minimum of forty questionnaires were despatched to respondents. According to Singh (2006) sampling is indispensable technique of behavioural research; the research work cannot be undertaken without use of sampling. The study of the total population was not possible and practicable because of time constraints and cost.

A sample of the applicable population was purposively and deliberately picked out. This sample was made up of court officials, trademark owners (business people), and trademark agents. This group was deliberately targeted as they have a role to play in the civil enforcement of trademark rights in Zimbabwe. In addition, it was felt that the group was representative of the stakeholders in the civil system of enforcement of trademark rights. Within the population of the applicable respondents random sampling was done to choose respondents to engage in the interviews or questionnaire.

Probability sampling was done in this case and reliance was made to random sampling whereby each subject from the population of interest had an equal chance of being selected. The individuals in the sample were allocated numbers for purposes of the sampling to be done. In view of the fact that a representative sample was used the results of the study could be generalized to the entire Zimbabwean population.

### **3.4 Research Instruments**

The researcher used the questionnaire and interviews as the research tools to gather data in this study. Various approaches were used to improve the reliability and validity of the instruments. For example audit questions were used in certain circumstances to verify the truthfulness of responses to previous questions in the questionnaire. The two research tools were selected because of their reliability as measuring instruments and the fact that they are cheaper to administer.

#### **3.4.1 The Questionnaire**

Wimmer and Dominick notes that survey research has a number of advantages such as a low cost in administering the survey and the fact that large volume of data are collected at less cost. This was helped by the fact that some of the questionnaires were posted through the internet by email. Apart from the low cost, the questionnaire eliminated interview bias since there was no personal contact between the respondents and the researcher. A questionnaire also allowed the participants to answer the questions at their own convenience. To benefit from these advantages the researcher introduced the questionnaire form with clear and complete instructions so that respondents would not face problems in answering the questions.

The major disadvantage of this tool that was noted was that unclear or biased questions led to invalid results. To deal with this pitfall the researcher used short, clear and easy to understand questions. Ambiguous and double barrelled questions were avoided in the questionnaire so that respondents would not face problems in answering them. In the questionnaire the closed type of question was preferred as compared to the open one. However, to deal with the weakness of the closed question the questionnaire had an option for the respondent to amplify his or her response. This was done by providing a section for an 'other' response in the questionnaire followed by a blank space for the respondent to complete as he/she pleased. Biased and leading questions were not used in the questionnaire.

#### **3.4.2 Interviews**

Personal interviews were also used to gather data from court officials, trademark owners and other respondents. Interviews have the advantage of being spontaneous and taking place in the respondent's natural environment. As a result they tend to give the researcher clear information on the topic in question. According to Tellis (1997) interviews allow the researcher to have practical information on the subject. The respondent may be more open to talk about personal views and beliefs if given an opportunity to add to the conversation and as a result the researcher may obtain unforeseen and unexpected data.

The downside of the method is that the respondents may be biased towards the sensitivity of the researcher or topic. This can lead to fake behaviour and responses. In this case the topic was not of a sensitive nature hence this did not arise. The other drawback of interviews is that they are disruptive of the respondent's normal routine hence some respondents were negative towards the interview process. The researcher had to try as much as possible to accommodate the work schedules of the respondents to the extent that some of the meetings/interviews were held during lunch and after work. In addition, the privacy of respondents was ensured through anonymity of the respondents for both interviews and questionnaire. No personal details, photographs or other identifying information was required at any stage. In addition participants had to consent to the interview in the first instance.

### **3.5 Methods of Data Collection**

The research was carried out mainly through reliance on two data sources, namely primary data obtained from the two methods discussed above and secondary data. Primary data was obtained in raw form and required interpretation in relation to the problem being studied for it to make sense. This data was reliable because it was collected for this research and there was no intervening party who had summarised that data before.

Secondary data on the other hand is information that was obtained from sources such as court records, government records, journals and books. Secondary data was used to validate and to compare and contrast with the data obtained from the survey.

### **3.6 Methods of Data Presentation and Analysis**

Data for this research was obtained in two forms namely qualitative and quantitative data. Data obtained from interviews was presented in narrative form while data from the questionnaire was analyzed through the use of software called statistical package for social science (SPSS). Data from the questionnaire was obtained in quantitative form. The SPSS software presented the information gathered from respondents in a frequency and percentage format. The frequency gave the number of times a particular variable occurs in a set of data and the percentage given as a proportion per hundred.

Quantitative presentation of data was also done by way of statistical and graphical representation to provide a clear picture of the results. Simple tabulation and cross tabulation were employed to present, analyse and discuss the data. Graphs, tables, pie charts and other figurative features were used to present quantitative data in a clear and graphical manner. The discussion of the findings is made in the next chapter.

### **3.7 Conclusion**

This chapter considered the methods of data collection used in this research. The method adopted is the descriptive survey which attempts to picture current conditions and attitudes as they exist. This method was found suitable for this research which attempts to picture the current state of the civil law of trademarks in Zimbabwe. An assessment of civil method of enforcing trademark rights in Zimbabwe required the descriptive survey since it allowed for circumstances to be pictured as they are currently are at the moment. The chapter set out the plan for collecting data and described the tools used in data collection. The advantages and demerits of the tools selected were discussed as well as the suggested ways of reducing or eliminating some of the weaknesses. Both quantitative and qualitative approaches of gathering data were used in the research to improve the validity and reliability of the data collected and research results. The next chapter, which is chapter iv will consider, analyse and discuss the results obtained from the research.



## **CHAPTER 4**

### **DATA PRESENTATION, ANALYSIS AND INTERPRETATION**

#### **4.0 Introduction**

This chapter covers the presentation, analysis and discussion of the data collected during the survey. The researcher tackled the current status of the civil enforcement of trademark rights, the level of awareness of trademark rights and the effectiveness or otherwise of the system. In analysing and discussing the above issues the researcher was guided by the research questions set out in Chapter 1 of this thesis. The researcher used both qualitative and quantitative data and thus would present the results primarily using text, graphs, tables, figures, patterns and trends to help summarise all data collected.

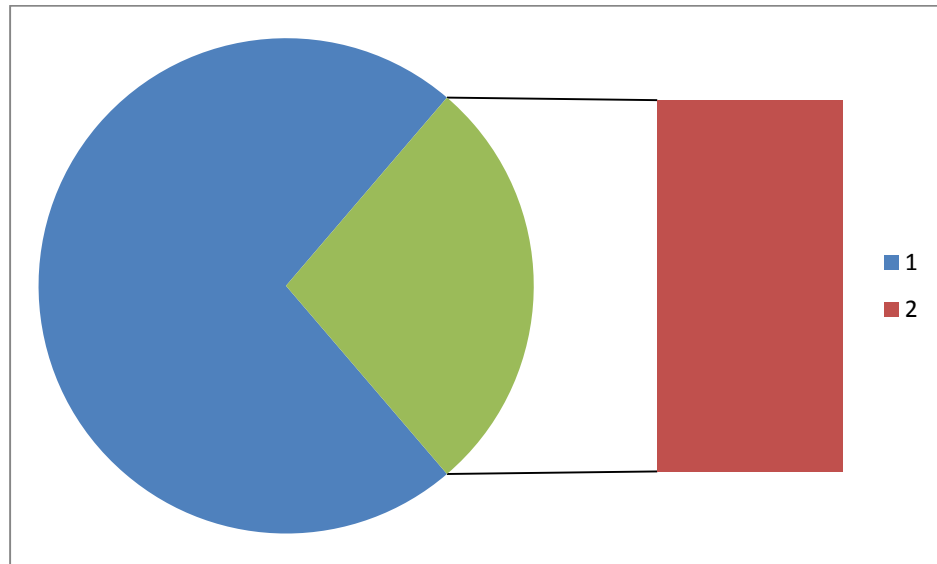
#### **4.1 Survey population composition**

The research was deliberately and purposively targeted at trademark right owners, practising trademark attorneys (lawyers) and court officials. A total of forty questionnaires were despatched, fifteen to trademark attorneys and lawyers, fifteen to trademark right owners and ten to court officials. Twenty nine out of the forty respondents responded to the questionnaire. This meant that there was a

response rate of 72.5%. The response rate is shown in the form of a pie chart in figure 1 below. This was a good response rate taking into account the limited time that was available to the researcher to carry out the research. A higher number of questionnaires were sent to right holders and lawyers since they constituted a critical group of people to the research. Trademark right holders are the people who own and may suffer from infringements while lawyers assist right holders in enforcing their rights by registering as well as taking cases to courts. In addition, the group naturally constituted the larger block of stakeholders in assessing the role of the civil process in trademark enforcement. Likewise, court officials manage the civil process by sitting as adjudicators or as support staff. The number of such officials is fewer in real life as compared to right holders and lawyers hence the slightly lower number of questionnaires despatched to this group. In addition the group was more of a subject of the research. The response rate per category of respondents is shown in table format in figure 2 below. The total number of targeted subjects in the research population was 40. As noted above eleven of them did not respond to the survey while 29 did.

**Figure 1**

**Overall response rate**



**Key**

**1**= response to questionnaire

**2**= did not respond to the questionnaire

The section of the pie chart in blue colour represents the segment of participants who responded to the survey by answering the questionnaire. The section in green represents those who did not respond. Overall the response was good.

**Table 1**

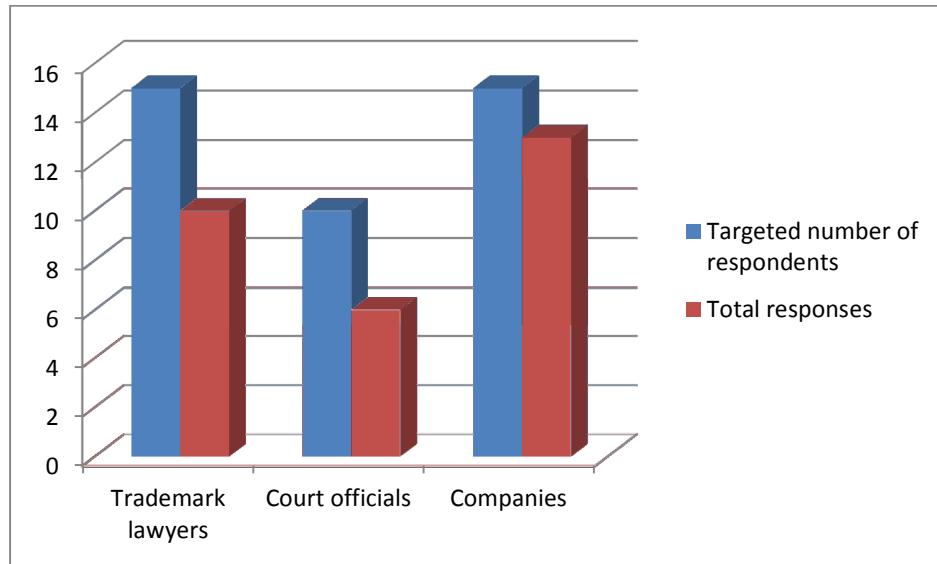
**Distribution of participant's responses**

<b>Targeted Sample population</b>	<b>Targeted number of participants</b>	<b>Total responses</b>	<b>Response rate (%)</b>
Trademark lawyers	15	10	66.6%
Court officials	10	6	60%
Companies	15	13	86.6%

The above table show that there was a fairly good response to the survey by participants. Lawyer's responses were much lower than what the researcher had anticipated. Many of the participants from the group complained of a very busy schedule and continued to make promises to return the questionnaire up to the point data analysis commenced. In regard to court officials the response rate was better than anticipated. Companies responded very well to the survey.

**Figure 2**

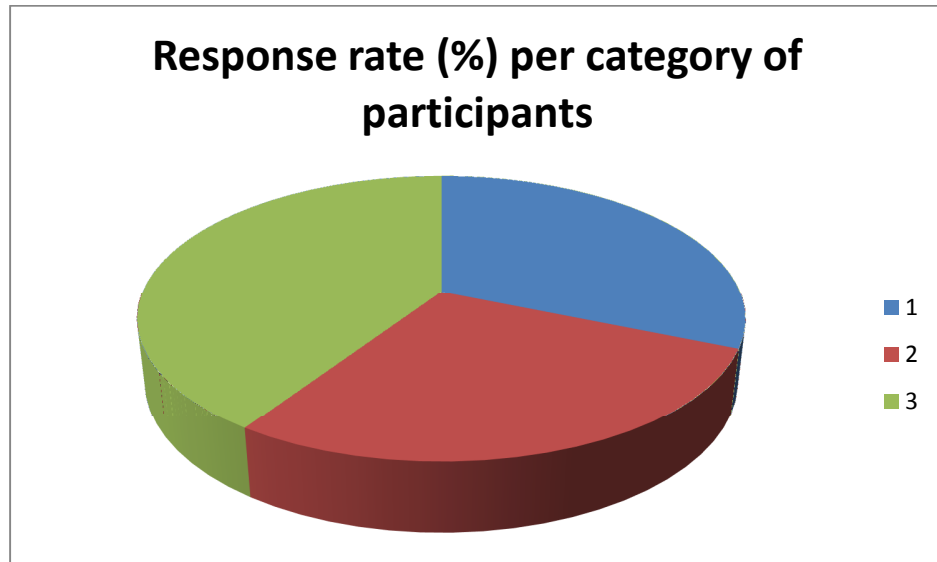
**Response rate per target group**



The above graph shows the targeted respondents as compared to the actual participants who responded to the questionnaire. Companies had the best response rate followed by lawyers (trademark agents) with court officials trailing slightly behind.

**Figure 3**

**Participant's responses as a percentage**



**Key**

Blue = court officials

Red = lawyers

Green = companies

**4.2 The level of trademark awareness in Zimbabwe**

The three groups of participants namely court officials, trademark owners and lawyers dealt with in this research showed a marked appreciation of trademark law and IP law in general. This can be explained by the fact that the target

groups were not the average person but constituted educated people such as lawyers and court officials. All respondents correctly defined a trademark as any sign, word, phrase, symbol or design, or combination of words or phrases that individualizes the goods of a given enterprise. Likewise over 80% of the respondents were able to correctly explain what they understood as trademark infringement which was variously described as a breach, violation, abuse or wrongful use of a trademark without the authorisation of the right holder. It was only a fraction of the right holders, of 10% that could not clearly define the word. In addition, 7 of the 13 businesses participants (about 60%) to the survey indicated that they had duly registered trademark rights in their favour. In fact most of them had more than one registered right in their favour. This fact clearly showed that many business owners are aware of the value of registering their brands in order to obtain protection from the law. The registration of trademark rights by the companies confirms that awareness of the value of trademark rights is available among Zimbabwean businesses.

What appeared to be a challenge to the majority of the business owners is pursuing infringements whenever they are identified by the businesses to be taking place. In response to the question whether it is important to enforce trademarks rights whenever they are infringed 26 out of the 29 participants answered the question in the affirmative. Of the respondents who answered the question that sought to find out whether they had enforced any of the violations of their registered rights that had been observed, 19 participants (65.5%)

indicated that they had taken no action despite knowing the infringements. A number of reasons were proffered for this attitude by participants. The major reasons given were that, the cost of going through the litigation process was too high, that there is no guarantee after undergoing the process that an award in the right holder's favour would be granted. Issues of the difficulty of identification of the supplier of the infringing products were also raised by some participants. It was explained that on most occasions the majority of the people found in possession of infringing goods were either small time retailers or consumers. The suppliers of such goods were reported to be outside Zimbabwe particularly in the east.

These findings mirrors the finding of the OECD civil enforcement survey (2013) wherein 51% of the respondents pointed out that because of lengthy time and cost they rather refrain from court proceedings and from claiming damages. In addition, it was noted in the survey that the complexity of proving damages in court also dissuaded some owners from pursuing civil court cases. The absence of statutory damages or pre-estimated damages in the Trademark Act is therefore a drawback.

What this reveals is that while owners are aware of their rights they are not quick to assert such rights in the civil courts for a number of reasons. These reasons touch on the effectiveness of the civil court process of enforcing intellectual property rights in Zimbabwe. Knowledge and awareness of rights is widespread



among the sample studied but the will to pursue actions against infringers is lacking in some instances. This lack of will to enforce is caused by perceived weaknesses of the civil court system in Zimbabwe. However, the law reports show that in certain instances right holders have approached the courts for remedies. Even taking into account those cases it is clear that IP cases that have gone through the civil courts are still fewer as compared to other areas of law such as contract and personal injury claims.

#### **4.3. Protection offered by the law on registration of a trademark**

From a business point of view developing and protecting trademarks is an investment in customer goodwill, leading to greater customer satisfaction and higher sales. Trademarks assure consumers of consistent quality and help to create efficient competition. According to Ghafele (2007) the underlying principle of branding involves creating trademarks (or service marks) which act as icons for the products of a certain specific company. In the modern world the trading of goods and services has become more robust as companies compete for markets (International Bureau, WIPO, 2003). Protection of a trademark by registration has many advantages such as that registration in Zimbabwe provides a nationwide notice of ownership of the mark, protects from registration of confusingly similar marks and discourages other from using confusingly similar marks in the first place by making the mark available in a trademark availability search.

Section 6 of the Trademark Act (26:04) grants upon the owner of a registered trademark the right to institute proceedings to prevent the wrongful use of a trademark or to recover damages. This means registration serves as evidence of validity and exclusive ownership for the mark for the category of goods and services listed in the registration form. This right is not available to the owner of an unregistered trademark unless if the claim is made under the common law for passing off. Section 7 of the Trademark Act further provides that the registration must be in respect of a particular class of goods or services. The rest of Part iii of the Act gives instances of trademark infringement such as unauthorised use of a mark in relation to goods or services. An owner on the other hand may consent to the use of the trademark by another. 90% of the respondents confirmed that it was important to them to register trademark rights. An equal number of participants indicated that it was important to enforce trademark rights. This showed that there is knowledge among Zimbabwean trademark owners and lawyers of the value of registering trademark rights. This knowledge also applies to the need to enforce such rights.

A party can register a mark and a figurative mark combined or just a mark. Both the two are protected in terms of the law. In addition, the right holder is given clearly defined rights which he can exclusively use by virtue of registration or use of rights for a long period. The law is therefore flexible enough as it

accommodates both registered trademark rights and unregistered trademark rights. The registered right is by far better than the unregistered right. To rely on the unregistered right the right holder must have a reputation and goodwill in the mark. A later user of the mark may also claim that his use of the mark was in good faith. There is no prior notice of the trademark in an official register that the mark is not available for adoption by any third party. On paper the law of Zimbabwe accords high level protection to right owners upon registration of their mark.

Any use of the registered mark without the consent of the owner of the trademark amounts to an act of infringement. In terms of the act and the common law a right holder whose right is infringed can approach the civil court for remedies. The remedies available depend on the nature of the infringement taking place. If the infringing activity is of a continuing nature the owner may seek an interdict stopping the defendant from continuing his violating activities. He may combine that relief with an order for damages for loss suffered. Alternatively, if the right owner does not have full evidence of the goings on he may approach the court on an ex parte basis for an Anton Piller order. This order authorises the plaintiff to remove certain items, documents and evidence from the defendant and store it somewhere secure pending the hearing of the main action which may be for damages or interdict. The order is intrusive to an extent and the courts grant it

with some safeguards in built in it. The right owner may also seek an order for delivery up of infringing items in the possession of the defendant.

#### **4.3.1 Common law protection of trademarks**

While the majority of the company participants, at 60% had some registered rights, the rest had no such registered rights even though they were producing and branding their products. The 40% of the business participants relied on the common law for protection of their trade names and marks. As has been seen in the previous chapters, the common law protects an unregistered mark through the law of delict. The passing off action is available to a right holder if the applicant can prove that he is the owner of the mark; he has goodwill in the mark and has developed a reputation in the mark in order to succeed. See *Zimbabwe Gelatine P/L v Cairns Foods P/L* SC-130-2002. A passing off action protects against deception as to trade source or to business connection. While proving the existence of a registered mark is easier, (all that is needed is producing the registration certificate); proving ownership of an unregistered mark is difficult and often require oral evidence in court. Secondly, the advantages alluded to in the previous paragraph are lost completely if the mark is not registered. For example mere use of the mark does not give constructive notice to the whole country of the existence of a mark as is the case with a registered mark. Third parties may try to use confusingly similar marks. A trademark availability search cannot identify an unregistered mark in use. The third party who uses the

unregistered mark of another may plead that he used the mark in good faith in response to an infringement action.

A qualitative analysis of the intellectual property cases reported in the law reports show that passing off cases constitutes the majority of reported and unreported judgements of the High Court and the Supreme Court in Zimbabwe. They constitute over 70% of the reported trademark cases and the majority of them being applications for interdicts arising from wrongful use of trademarks. This fact was also confirmed by the participants to the survey. The majority of participants at 66% said that the major form of infringement that they had experienced or dealt with in the past five years was passing off actions by infringers. This was followed up by use of confusingly similar marks which stood at 20.6% (6 respondents). This high rate of passing off cases prosecuted suggests that many right owners rely on unregistered marks or that many intellectual property rights lawyers are more comfortable in instituting actions under the common law than instituting actions under the Trademark Act for infringement. The latter situation seems more in point than the former.

The remedies available to a registered right holder (discussed in the previous paragraph) are also applicable to right holders relying on an unregistered mark. The only difference is that the onus of proof that the plaintiff or applicant will have to meet is slightly higher since the plaintiff is without an official

registration document to his aid. Likewise, the defendant will have the additional defence that his use was in good faith or that he was the first to use the mark in question. The protection available to an unregistered right holder relying on the common law for protection is slightly less than in the case of a registered mark. However the law protect both rights so long as there is evidence of use the mark and a reputation in the relevant market has arisen. In both instances the levels of protection are good subject to the arguments made in paragraph 4.4 below.

#### **4.4 Effectiveness of the civil method in protecting trademark rights**

Enforcing rights through the civil courts is an enforcement method of choice for many people in Zimbabwe. To an extent this high support rate for the mechanism can be explained on the basis that there are no viable alternatives for the adjudication of disputes. For example the award of some remedies such as interdicts can only be obtained in the civil courts. Damages and other remedies for example may be granted through administrative enforcement and by arbitration. This research unearthed a number of inefficiencies and bottlenecks in the existing civil litigation system. For example in response to the question why right holders have shied away from enforcing rights in cases where they discover infringements, 65.5% of the participants indicated that the cost of litigation put them off. The Jackson Report made the same finding in the United Kingdom. The report noted that “in some areas of civil litigation costs are disproportionate

and impede access to justice”. Intellectual property was one of the areas of the civil process noted in the Jackson Report. This is also particularly true in intellectual property litigation in Zimbabwe. The OECD civil litigation survey supra found that lengthy and expensive procedures caused owners to refrain from litigation in cases where they had suffered from infringements. The response to the question of the cost of litigation in the magistrate and High Court showed that the majority of the respondents standing at 20 out of the 29 participants felt that cost of legal fees charged by lawyers for acting in both courts was high.

The fees charged by lawyers were reported to range from \$12 000 to \$30 000 for a trademark case instituted in the High Court. Court fees without any security for costs were found to be within a reasonable range. The fees did not exceed \$200 for the full prosecution of a High Court case. Therefore, lawyer’s fees constituted the largest chunk of the expenses that litigants incur in asserting their rights by litigation. This was notwithstanding the assertion by the Law Society of Zimbabwe that the Society has not increased their tariff of fees since 2011 to date. The tariff of fees at the 2011 level was too high for many of the participants. Magistrate court charges and expenses were found to be lower than those of the High Court. Depending on the lawyer engaged for a case the legal fees ranged from \$7000 to \$20000. The court fees for that court were also found to be lower.

Secondly, the majority of the contributors at 70% were against the creation of a fast track roll for trademark or any other IP cases. The reasons proffered were that IP will be elevated to a special category of cases in the civil court system and that it could potentially lead to an abuse of defendants by plaintiffs. These are valid reasons, in any case an unconsidered change may not comply with TRIPS requirements such as the protection of defendants. After all, delays in the legal system affect all cases and not IP cases only. Treating IP matters in a special way will be discriminatory to some categories of parties before the courts.

In relation to the Intellectual Property Tribunal, a small percentage of 20% were in support of a working Tribunal operating in terms of the current Act while 70% of the participants felt that its duties were to be expanded to handling a small claims roll. It was suggested that the existing judges could sit in the small claims court on certain days of the week and room be given to voluntary services by interested attorneys. The main reason that was given for the lack of support for a specialist court was that there is insufficient workload for such a court in Zimbabwe at the moment. The fact that the court has not operated after the passing of the enabling act seems to support this view. This argument is not convincing. There is a huge backlog of civil cases in the High Court. Matters take over four years to be heard and many more years for judgement to be passed. A specialist court may reduce the waiting time as well as creating



consistency and speciality in intellectual property cases. It may be that owners are not taking intellectual property cases to court because of these bottlenecks, a fact which may change if there is better justice delivery.

A major proportion of responding stakeholders (60%) were in support of establishing a small claims court for intellectual property cases. As already alluded to in the previous paragraph this court could be housed in the Intellectual Property Tribunal and could be officiated by judges of the IP Tribunal or voluntarily by any IP lawyers. This court will benefit smaller IP stakeholders such as photographers, carvers and small enterprises in hearing simple trademark, copyright and design cases. No legal representation and an award of costs will be allowed in that court. The maximum claim for the court would be \$10 000 and a right of judicial review will be allowed.

In terms of accessibility of the courts to the public 15 participants felt that the Magistrate Court was more accessible to the public than the High Court. The explanation given was that the court fees and its location in every district made it user friendly. In addition the fact that the rules of the court made self acting possible was another feature that made it popular among the respondents. 12 other respondents felt that the High Court was more accessible since it gave more reasoned judgements as opposed to the magistrate court. Two respondents did not answer that question. On the efficiency of the civil courts the majority of

respondents at 70% felt that it was good while the remainder felt that it was average. Regarding meeting deadlines in passing judgements the courts fared poorly with the majority of participants at 75% feeling that the courts were never on time in meeting the judicial code of conduct.

It was also discovered that the trial of civil trademark matters take very long periods of over three years. 20 respondents felt that the courts took over 3 years to hear cases from the date summons or other process is filed in the High Court. Further delays were reported in passing judgements with 75% feeling that the courts delayed in passing judgements after hearing cases. This also had an impact on the decision of whether or not in a given case a right owner would resort to court action.

Despite its monopoly for granting certain remedies the judiciary and the civil process in general has to improve in order to continue to be relevant and necessary. A huge fraction of respondents felt that the civil courts have to improve in their administration of civil cases including intellectual property cases. As alluded to above the weaknesses of the present civil courts system range from excessive delays, high litigation cost, the superior courts' reliance on legal practitioners, poor case management, and a lack of a well supported alternative dispute resolution system in intellectual property dispute resolution system.

## **4.5 Conclusion**

This research established that at least among the categories of participants engaged in this survey there is a high degree of awareness of trademark rights. That level of awareness unfortunately does not translate into a desire to enforce those rights whenever they are infringed, violated or abused by third parties. The reasons for this unwillingness to assert or defend trademark rights were found in the perceived inefficiencies of the civil process of asserting rights. The inefficiencies range from excessive delays in finalising cases, high litigation cost, the High Courts and the Supreme Court's reliance on legal practitioners to represent parties in court, poor case management by the courts and a lack of a working alternative dispute resolution system for intellectual property cases. In addition, it was established that once a trademark is used in business or registered the law of Zimbabwe offers protection to such rights. The challenges identified can easily be solved so that the civil court process of adjudicating trademark cases and other intellectual property cases becomes effective, user friendly, proactive and useful to all litigants. Some of the measures needed do not require huge resources or complicated solutions but simple measures such as making the courts take the pre-trial procedure more serious in managing cases before the courts. The next chapter will attempt to offer recommendations on how some of these challenges may be solved for the good of Zimbabweans.

## **CHAPTER 5**

### **CONCLUSION AND RECOMENDATIONS**

#### **5.0 Introduction**

This chapter concludes the research; reiterate the main findings and summaries the previous chapters. It also provides recommendations based on the findings made in the research. The previous chapters all build to the conclusions and recommendations that are made in this chapter. As a consequence a summary of the previous chapters is briefly touched before dealing with the main findings, conclusions and recommendations.

#### **5.1 Summary**

The first chapter introduced the subject by giving the background, set the research objectives and provided other preliminary matters. This was followed up in chapter ii by a literature review of the civil enforcement method in Zimbabwean IP law. There exist a wide base of researches and studies that have been done on the effectiveness, challenges, strengths, the cost and duration of the civil method among other issues connected with the subject. Chapter iii contained an analysis of the research methodology and explained why the triangulation method was used in this research. Chapter iv analyzed and discussed the data collected in the research. The findings of this research mirror

some of the case studies analysed in the literature review. For example the fact that the cost of enforcing rights through the civil method is high was also found in the OECD survey of the civil enforcement method as well as in the Jackson Report in England.

### **5.1.1 Main Findings**

The civil process is very important for the resolution of trademark disputes in Zimbabwe. Intellectual property enforcement allows the twin goals of social invention and creativity to be achieved by society. While other methods of enforcing trademark rights are important it is without doubt that civil adjudication of trademark disputes is one of the most important methods. Despite this importance some challenges have affected the effectiveness of the process.

The main problems include the following:

- a) The civil court procedure is very slow and expensive thereby making it inaccessible to many trademark right holders, users and litigants particularly individuals and small enterprises.
- b) The courts have been conservative in awarding damages in cases where infringements cases are taken to court. The amendment to the Trademarks Act allows for the grant of exemplary and additional damages. So far no jurisprudence exists on how the courts have interpreted this provision.
- c) There is general lack of adequate exposure to intellectual property matters and issues. This is worsened by the fact that there are limited case precedents on trademark law to assist judges, lawyers and owners in Zimbabwe. This

low exposure cuts across the public, owners and practitioners such as lawyers.

- d) There is a lack of an effective and viable alternative dispute resolution system for intellectual property cases including trademark cases in Zimbabwe.

These problems are not too big but can be resolved if the court system adapts and improves in certain aspects. Solutions to these problems will lead to an improvement of the process and better justice delivery to trademark rights litigants and intellectual property litigants at large.

## **5.2 Conclusions**

IP enforcement protects rights that have been legitimately recognized by the law, and facilitate their future use. These three functions of intellectual property law - recognition, enforcement, and facilitation - must be properly balanced if the underlying goals of social invention and creativity are to be achieved. As globalization and digitization progress, creating effective, efficient, and productive enforcement procedures becomes more difficult but yet more crucial. Finally, offering a broader, more flexible and cheaper enforcement system for IP rights may make intellectual property generally more accessible and feasible. By increasing efficiency and party participation in enforcement, more creators may be encouraged to seek legal recognition for their inventions and expression; and once those rights are secured, the ideas will be put to better use for their creators,

the public, and the new innovators who will build on those rights. Enforcing rights is therefore good for economic development, fiscal support, rewarding innovators and for the public good generally. Good quality products can be made if the innovators are protected by the law and can assert their rights with ease if infringements take place.

The court processes should be simple and fair to both litigants and the remedies provided by the civil law should be effective, fast, and equitable and help to prevent future infringements of properly granted intellectual property rights. The target of trademark infringement actions should in most instances be the producer or supplier of the infringing goods and not the consumer. To that extent measures that disable the infringer's operations like the Anton Piller order and the Mareva injunctions are good and may need to be extended in certain circumstances. In addition, alternative dispute resolution should be pursued more vigorously in trademark disputes than is the case at the moment. This will lessen the burdens of the civil courts and help to achieve better service delivery to litigants.

In the area of damages the law needs to be clearer than it is at the moment. A clear formula of how additional or exemplary damages in terms of section 9(3) (a) of the Trademark Act are computed is necessary. The formula may provide the method for calculating damages or specify that such damages will be say three times more than ordinary damages. In addition, it is necessary for the Trademark Act to incorporate statutory damages in certain cases of infringement. Such

damages will reduce the burden on plaintiffs to prove their loss in court. Proving damages is at times very difficult when the defendant has no records of his infringing business activities or hides that information. Statutory damages will do away with that pitfall facing plaintiffs in proving their damages.

The civil courts dealing with trademark cases and intellectual property disputes in general seem to be doing a fairly good job. The Magistrate Court and the High Court should continue to hear intellectual property disputes. What is needed to improve the system is providing additional on job training for the courts. All the courts need training. At the moment an Intellectual Property dedicated court may not be affordable and feasible to the needs of the Zimbabwe. If the Intellectual Property Tribunal is going to be operational someday, then other than dealing with the subject matter covered in the law at the moment there will be a need to have small claims roll in the Tribunal.

In the area of awareness it is submitted that intellectual property decisions are not given any or adequate mention in the media. The media tends to cover cases in the criminal courts more than in the civil courts. Of the civil cases published prominence is given to labour matters, personal injury claims and contract disputes. To that extent publication of important IP decisions on the courts website and other forums at the behest of the court should be considered seriously. In addition the parties may further publish such decisions elsewhere at their cost.



### 5.3 Recommendations

The civil method of enforcement of trademark rights plays a critical role in business, society and the law. Arising from the findings made above the civil litigation process require some improvements in Zimbabwe. This will make the system user friendly, accessible, cost effective and good for business. The recommendations that are suggested below do not need infrastructural changes like the creation of new courts but a change of procedure, process and attitude by the relevant players. The following recommendations are made:

1. The use of Anton Pillar orders should be extended to the seizure and preservation not only the infringing articles such as clothing but the equipment and materials used in the infringing operation. Seizure of the end products alone without the equipment does not hurt the infringers. In addition *ex parte* applications should be expeditiously heard and decisions on them made promptly by the courts. Such decisions should not be unduly reserved by the courts.
2. The provision in section 9(3) (a) of the Trademarks Act (Chapter 26:04) empowering courts to grant exemplary and additional damages in the case of infringement of trademarks should contain clear rules on the calculation of the deterrent damages since there is room for various interpretations of the provision as it is currently couched. A simple model like ‘three times the benefit obtained’ or three times the normal damages will clear the air and lead to uniformity of judicial awards.

3. Zimbabwe needs an alternative court system that tries intellectual property cases in a simpler and less costly way. The Intellectual Property Enterprise Court in the United Kingdom provides a good example. To that extent it is suggested that the Intellectual Property Tribunal Act may be amended so as to make the procedure in the court simpler and less expensive. This may be done by putting a limit to the costs that may be recovered in the court as well as allowing a small claims roll in the same court. The small claims court may deal with cases with claims up to a maximum of \$10 000 in dispute. The small claims court roll will operate in the same way as the general civil small claims court.
4. It is also recommended that as a public/consumer protection measure as well as a way of raising awareness of the value of trademark rights, it may be ideal for certain court decisions dealing with trademark rights and intellectual property rights in general to be given prominent publication in the press, judicial websites and other forums. Courts may thus be empowered to order that certain decisions be given prominent publication and in some instances that a defendant undertakes corrective advertising. The latter remedy will be suitable where the infringing goods has tarnished or affected the market of the right holder.
5. All courts handling civil matters should continue to have jurisdiction to entertain trademark cases. However, within these civil courts it is suggested that there be trained judicial officials to whom technical cases will be

diverted for hearing whenever they arise. An intellectual property division may be necessary in the High Court and the Magistrate Court.

6. The fight against infringement, counterfeiting and piracy can be won if stakeholders take a coordinated approach. To this end national coordination and cooperation of various stakeholders is essential. Offices and ministries such as the intellectual property offices, justice, right holders, police and customs need to work together in the enforcement of intellectual property rights. Right holders may for example assist in the funding of training of the enforcing agencies such as the police and customs to identify counterfeit and infringing products.
7. Right holders should embrace authentication technologies in the manufacture and branding of their products that makes it easier for retailers, distributors and the public at large to identify infringing goods. In addition, better supply chain management of goods by right holders from production centres to retail sites is encouraged so that the movement of infringing products in the channels of commerce will quickly be noted.
8. Trademark owners should pursue all major cases of trademark infringement that they discover in the market notwithstanding the cost of doing so as a means to deter violation of rights. The target ought to be at the producer of the infringing goods, whether local or foreign.
9. National anti-counterfeiting campaigns are necessary to help the public appreciate the link between intellectual property, crime, job losses and the

dangers to health and safety of infringing goods. The public has a role to play in reducing or preventing counterfeiting activities since it is the public that purchases such goods. An informed public has better chances of reducing the production of infringing goods in the market than the actions that may be taken by the trademark owner.

10. An effective alternative dispute resolution mechanism supported to an extent by existing administrative bodies like the Intellectual Property offices (IPO) is necessary in Zimbabwe. The IPO can provide experts who will play the role of mediators, evaluators and experts to disputants. The courts in turn can consider carrying out Court-Centred Settlement methods in certain Intellectual property disputes leading to court-ordered settlements. They can do this by taking advantage of the pre-trial conference hearing to secure settlements between the parties.

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## **APPENDIX I**

### **List of Cases**

Baudi v Kenmark (Pvt) Ltd HH-4-12

Cargill Zimbabwe v Culvenham Trading (Pvt) Ltd HH-42-2006

Chiraire v Mt Darwin Bazaar HH -121-13,

General Tyre & Rubber Co v Fire Firestone Tyre & Rubber [1976] RPC 197 (CA) 214

Gumbo v Steelnet (Zimbabwe) (Pvt) Ltd HB-84-13

Kathrine Thornton v S. Mackenzie & 2 Ors HC- 5208-05

Kellog Co v Cairns Foods 1997 (2) ZLR 230

MGM Studios Inc. v Grokster Ltd 380 F 3d 1154 (9<sup>th</sup> Circuit 2004).

Mobil Oil Zimbabwe P/L v Travel Forum Ltd 1990 (1) ZLR 67

Momberume v Marange Apostolic Church of St Johanne & Ors HH-130-13,

Mutandwa v Zhuwaki & Ors HH-115-13

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S v Chiadzwa HH-28-04

S v Moyo & Anor HB-21-09

Sanitam Services (E.A.) Ltd v Rentokil Kenya Ltd & Anor [2006] eKLR 228/2004

Unilever P.L.C. and Another v Vimco (Pvt) Ltd and Another HH-175-2004

Zimbabwe Gelatine (Pvt) Ltd. v Cairns Foods (Pvt) Ltd SC-130-

## **APPENDIX 2**

### **A QUESTIONNAIRE ON THE CIVIL ENFORCEMENT OF TRADEMARK RIGHTS IN ZIMBABWE**

The following survey is part of a research and data analysis for a research project course being done by the writer in partial fulfilment of the Masters in Intellectual Property programme with Africa University. The purpose of this questionnaire is to assess the civil enforcement of trademark rights in Zimbabwe.

Civil enforcement is the method of enforcing rights via the civil court procedure. In this approach the party whose rights are infringed or affected by another uses his resources to approach a court to get a remedy. The state and the public at large are not involved in such a dispute. The two parties involved are the one who claims that his rights have been infringed and the alleged infringer. Civil enforcement of rights is unlike the criminal enforcement method where the police and other state institutions are involved in the process.

Please indicate your preference to any question with optional responses by highlighting the box with the response that you feel best answers the question e.g. Yes ☐ No ☐

**For purposes of confidentiality no individual and corporate names will be required and responses will remain confidential and used for academic purposes only.**

**If you have any questions or comments do not hesitate to contact Christopher Munguma on:**

**Cell: 0773 792 889: E-mail [cmcmunguma37@gmail.com](mailto:cmcmunguma37@gmail.com) or [mungumac@africau.edu](mailto:mungumac@africau.edu)**

**May you please try to answer all questions**

a. What do you understand by the term trademark?

- |  |                          |
|--|--------------------------|
| 1. A word  | <input type="checkbox"/> |
| 2. A phrase  | <input type="checkbox"/> |
| 3. A design  | <input type="checkbox"/> |
| 4. A symbol  | <input type="checkbox"/> |
| 5. A combination of words or phrases, symbols or designs | <input type="checkbox"/> |

that identifies and distinguishes the source of goods of one party from those of others

1) What do you understand by trademark infringement?

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b. Do you have any trademark rights in your favour?

Yes ☐

No ☐

c. Have you in your official capacity (*as a lawyer, court official or company*) handled trademark infringement or counterfeit cases in the years below: (please indicate the number per year )

2010 \_\_\_\_\_

2011 \_\_\_\_\_

2012 \_\_\_\_\_

2013 \_\_\_\_\_

Any other intellectual property infringement cases

2010 \_\_\_\_\_

2011 \_\_\_\_\_

2012 \_\_\_\_\_

2013 \_\_\_\_\_

d. Do you think it is important to enforce trademarks rights whenever they are infringed?

Yes ☐

No ☐

1) If so, why?

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2) If not why do you say so?

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e. Have you enforced all or any the cases of infringement of your rights that you have noted over the years?

YES ☐

NO ☐

1. If not why?

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---

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f. What can be done to boost awareness and participation of companies in trade mark enforcement in Zimbabwe? Would you recommend?

1. Outreach programs

☐

2. Visits from the Trademark Office personnel

☐

3. Website announcements by the IP office

☐

4. Website publications of judgements of the courts

☐

5. Other

☐

g. What were the major trademark infringement cases that you dealt with or encountered in the last 5 years?

☐ Passing off ☐ unauthorised use of an identical mark ☐ use of a confusingly similar mark ☐ other

h. How long do trial/action matters take to be heard from the date of filing the summons (assuming the matter is contested and both parties actively pursue the case)?

One year ☐ 2years ☐ 3years ☐ more than 3 years ☐

1) What of in application proceedings with the same conditions as postulated above?

6 months ☐ One year ☐ 2years ☐ 3years ☐

2) What of in urgent exparte proceedings?

Under 14 days ☐ between 14 and 28 days ☐ more than 1 month ☐ 2 months  
and above ☐

- i. How long does the court take to pass its decision on the merits after the date of the hearing?

Less than 3 months ☐ more than 3 months but less than 6months ☐

Over 6 months to 1 year ☐ Longer than 1 year ☐

- j. How would you rate the efficiency of the civil courts in handling intellectual property cases?

1) Substantive skills

☐ Excellent ☐ Good ☐ Average ☐ Below standard ☐ Poor

2) Adhering to the time limits in hearing and passing judgements specified in the judicial services code

☐ Always Timeous ☐ Always met ☐ Never on time ☐ Not adherent to time  
at all

- k. How much does it cost to pursue a civil case of intellectual property infringement in the following courts?



1. Magistrate court (court fees) \_\_\_\_\_

Legal fees \_\_\_\_\_

2. High court (court fees) \_\_\_\_\_

Legal fees \_\_\_\_\_

l. Which court do you believe is accessible to litigants in IP related matters in terms of procedure and cost?

Magistrate court ☐ High court ☐ other ☐

1) Why do you say so?

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m. Do you think that the Intellectual Property justice delivery system will be better if the specialised IP court is operational?

Agree ☐ agree strongly ☐ agree very strongly ☐ do not agree ☐ no opinion ☐

- n. Would you support a situation where in the “general” courts competent to hear civil law cases there are specialized judges and magistrates to deal with intellectual property cases as opposed to a fully fledged specialized IP Court?

YES ☐

NO ☐

What will be the advantages of that approach?

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- o. Would you support a situation where certain IP cases are fast tracked? *(For the purposes of this survey, "fast track proceedings" should be understood as simplified proceedings established for certain types of cases, in order for the courts to rule in a timeframe that is shorter than in standard proceedings.)*

YES ☐

NO ☐

- 1) For what type of actions would you suggest this and why?

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- p. Do you think small claims proceedings can be useful to deal with infringements of IPRs of lower levels? *(in this survey a small claim will be one in which the claim in dispute is less than \$10 000 in value and will be heard on an informal basis by a magistrate or any willing IP lawyer of 6 years and above experience. No legal costs will be awarded)*

Yes

☐

No

☐

- q. What do you suggest should happen to goods or articles that the courts find are infringing on IP rights of other people?

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- 1) Do you think that such goods should be donated to accredited charity organizations with the right holder's consent as opposed to disposing them outside the channels of commerce?

Yes ☐

No ☐

No opinion ☐

- r. What suggestions do you think are necessary to improve the civil method of enforcement in Zimbabwe?

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- s. Please use the space below to add any comments or suggestions that might be relevant to the research

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**If the questionnaire can be returned by the 28<sup>th</sup> of February 2014 through e-mail at [cmcmunguma37@gmail.com](mailto:cmcmunguma37@gmail.com) or phone 0773 792 889**