

TONBRIDGE ASSETS LIMITED
and
CUT RAG PROCESSORS (PRIVATE) LIMITED
versus
LIVERA TRADING (PRIVATE) LIMITED
and
SIMON GEORGE WILBURN RUDLAND
and
SARAH LEIGH RUDLAND
and
THE SHERIFF OF THE HIGH COURT N.O.

HIGH COURT OF ZIMBABWE
ZHOU J
HARARE 7 & 24 February 2017

Urgent Chamber Application

A.B.C. Chinake for the applicants
T. Mpofo for the 1st, 2nd and 3rd respondents

ZHOU J: On 30 January 2017 the applicants instituted the instant chamber application seeking the following relief which is set out in the draft provisional order:

“FINAL RELIEF SOUGHT

That you show cause to this Honourable Court why a final order should not be made in the following terms:

WHEREUPON after reading documents filed of record:

IT IS ORDERED THAT:

1. The 1st, 2nd and 3rd respondents and any person acting for and on their behalf be and are hereby interdicted and restrained from infringing on the applicant's trademarks No. 1710/2000 in Class 34 by using the name 'Rudland & George' and/or any other name which is a derivative of 'Remington Gold' or 'RG' or using any packaging likely to deceive or cause confusion on or in relation to any of the goods for which the marks are registered.
2. The 1st, 2nd and 3rd Respondents and any person acting on their behalf be and are hereby interdicted from continuing to pass off their cigarettes as 'Remington Gold' or RG cigarettes through the use of the name 'Rudland & George' in violation of the applicant's trademark, registered No 1710/2000 in Class 34.

3. The 1st, 2nd and 3rd respondents and any person acting on their behalf be and are hereby interdicted from infringing on the applicants' copyright products by using similar or the same artistic works as that on the applicant's packaging for cigarettes, howsoever.
4. The 1st, 2nd and 3rd respondents and any persons acting on their behalf be and are hereby ordered to deliver to the applicants for destruction all cigarette products, packaging labels, posters, wrapping, advertising matter or other materials in their possession or the possession of any third parties acting on their behalf bearing the name 'Rudland and George' or any other name or mark resembling the trade mark of the applicants.
5. 1st, 2nd and 3rd respondents and any persons acting on their behalf be and are hereby ordered to immediately withdraw from all wholesale, retail or other traders or dealers all stocks of its 'Rudland & George' and 'RG' branded cigarettes.
6. 1st, 2nd and 3rd respondents and any persons acting on their behalf be and are hereby declared in contempt of Court in respect of the Court Orders issued by this Honourable Court under Case Numbers HH 8318/16, HH 9057/16 and 12382/16.
7. 1st, 2nd and 3rd respondents and any persons acting on their behalf be and are sentenced to ninety (90) days imprisonment for contempt of court in respect of the Court orders under Case Numbers HH 8318/16, HH 9057/16 and HC 12382/16.
8. 1st respondent is hereby ordered to pay USD1 million to the Registrar of the High Court as a fine for being in continuous wilful contempt of court.
9. 1st, 2nd and 3rd respondents jointly and severally, the one paying the others to be absolved, be and are hereby ordered to pay costs of suit on a legal practitioner and client scale, including all the costs to be incurred by the 1st and 2nd applicants in enforcing this Order.
10. The Sheriff of the High Court is hereby directed immediately, with the assistance of the Zimbabwe Republic Police, to give effect to paragraphs 7, 8 and 9 of this order.

INTERIM RELIEF GRANTED

That, pending finalization of this matter, an interim order is hereby granted in the following terms:

1. 1st, 2nd and 3rd respondents and any persons acting on their behalf be and are hereby interdicted, with immediate effect, from carrying out the proposed launch of the 'Rudland & George', and or 'RG' brand in Zimbabwe on the 3rd February 2017 or on any other date.
2. 1st, 2nd and 3rd respondents and any persons acting on their behalf be and are hereby interdicted, with immediate effect, from trading on or otherwise marketing, advertising, distributing or selling any cigarettes bearing any packaging likely to deceive or cause confusion on or in relation to any of the goods for which the applicant's mark No. 1710/200 in class 34 are registered without the leave of this Honourable Court, in particular, use the words 'Rudland & George'.
3. The Sheriff of Zimbabwe and/or his lawful Deputies be and are hereby authorized to search for and remove to a storage facility all goods, cigarettes, marketing and advertising paraphernalia bearing the 'Rudland & George' brand or similar brand, wherever situate in Zimbabwe and in particular to be present at Centurion Pub and Grill, Harare Sports Club, corner Josiah Tongogara Avenue/Fifth Street, Harare on 3 February 2017 and prevent the launch of the 'Rudland and George' brand with the assistance of the Zimbabwe Republic Police as may be required.

4. 1st, 2nd and 3rd respondents jointly and severally, the one paying the others to be absolved, shall pay the costs of this application on a legal practitioner and client scale, including the Sheriff's fees for enforcement of the interdict and the removal and storage of any offending cigarettes.

SERVICE OF THE PROVISIONAL ORDER

1. This order may be served on the 1st, 2nd and 3rd respondents by the applicants, the applicants' legal practitioners, the Sheriff or his lawful Deputies or any attested member of the Zimbabwe Republic Police."

The facts upon which the dispute between the parties to this matter arises are as follows: The applicants are in the business of dealing in and packaging cigarettes under the brand name "**Remington Gold**". The respondent is also in the business of packaging cigarettes under the brand name "**Rudland & George**". The second and third respondents are directors of the first respondent. Both the applicants' and the first respondent's cigarettes are packaged in packets on which the letters "**RG**" appear albeit the font is different. On 2 September 2016 the applicant obtained a provisional order in Case No. HC 8318/16 against the respondents interdicting them from carrying out a proposed launch of a cigarette package using the "**RG**" brand. The provisional order granted also interdicted the respondents from trading, marketing, distributing or selling cigarettes bearing the package likely to deceive or cause confusion on or in relation to goods which fell within the applicants' trade mark No. 1710/2000 in Class 34, and ordered the respondents to recall all its goods bearing the "**RG**" packaging or resembled the applicants' products as protected by the trade mark No. 1710/2000. In the same order, interim relief was also granted authorizing the Sheriff or his lawful Deputies to search for and remove to a storage facility all goods bearing the '**RG**' mark or identical to or resembling the applicant's registered trade mark from the respondents' premises or from wherever the goods could be found. The provisional order was granted by MTSHIYA J. The reasons for the judgment in Case No. HC 8318/16 are contained in the judgment number HH 517-16.

The respondents appealed to the Supreme Court against the provisional order granted in HC 8318/16. The appeal is still pending. Pending the determination of that appeal the applicants applied for and were granted leave to execute the judgment by MTSHIYA J. The order was granted in Case No. HC 9057/16 (judgment No. HH 574-16).

The present application is essentially for the enforcement of the order which was granted by MTSHIYA J save for a few differences, such as the specific mention of "**Rudland & George**" in

the draft provisional order. The applicants' complaint is that the respondents have continued to infringe upon the applicants' trade mark notwithstanding the fact that there is an order for leave to execute pending appeal which was granted by MWAYERA J. Reference is made, in the applicants' papers, to an advertisement of a proposed launch of the respondents' cigarettes which bore the "RG" letters. The launch was, according to the advertisement, supposed to take place on 3 February 2017. The final relief sought is also largely similar in effect to that which was granted by MTSHIYA J, save that there is additional relief being sought for the respondents to be found to be in contempt of court and their committal to goal and payment of a fine in the sum of US\$1 million in the case of the first respondent.

In addition to contesting the relief being sought on the merits, the respondents objected *in limine* to the consideration of the merits on the following grounds: (1) that the matter is not urgent, (2) that the applicant's papers do not disclose a cause of action against the respondents (3) that the relief being sought, more particularly, the relief relating to contempt of court, is incompetent, and, (4) that the relief sought is final in effect. The facts upon which the last three grounds of objection are founded speak to the merits of the matter.

As for the question of urgency, the application was filed in response to an advertisement which appeared in the *Financial Gazette* of 26 January 2017 as well as the newspaper articles which related to the proposed launch of the respondents' cigarette band. The urgent chamber application was filed on 30 January 2017. Having regard to the basis of the complaint, it is clear that the applicants acted urgently in the circumstances of this case. After all, what was supposed to be stopped was a proposed launch of the cigarette brand which was due to take place on 3 February 2017. It does not matter that the respondents at the hearing of this matter stated that there was no proposed launch which was due to take place on the stated date or any time in the near future. The fact is that the applicants became aware of an advertisement relating to that launch and acted quickly to protect their interests. For those reasons, the objection that the matter is not urgent is not sound. It is accordingly dismissed.

As pointed out earlier on, the rest of the grounds advanced largely pertain to the merits of the dispute. The question to be decided is whether the relief being sought by the applicants can be granted based on the papers filed on behalf of the applicants as taken together with the opposing papers filed for the respondents. Although what is being sought is formulated as an

interdict, the applicants are, in fact, seeking to enforce the judgments granted by MTSIYA J and MWAYERA J. The interim relief, as noted above, is in the form of an interdict which essentially duplicates the orders granted in Case Numbers HC8318/16 and HC 9057/16. The proper procedure for enforcing the interdict granted in HC 8318/16 is by application for an order that the respondents be found to be in contempt of court, and for appropriate sanctions to be imposed. The applicants were obviously alive to those remedies, and have sought them under the terms of the final order sought. The procedure used is incorrect, as Order 43 r 388 of the High Court Rules, 1971 explicitly states the following: “The institution by a party of proceedings for contempt of court shall be made by court application”. The Rules are therefore clear that proceedings for contempt of court must be instituted by way of court application and not chamber application. In the present case the applicants proceeded by way of an urgent chamber application.

Order 32 r 229C of the High Court Rules deals with the adoption of incorrect form of application, and provides as follows:

- “Without derogation from rule 4C but subject to any other enactment, the fact that an applicant has instituted –
- (a) a court application when he should have proceeded by way of chamber application;
 - or
 - (b) a chamber application when he should have proceeded by way of a court application;
- shall not in itself be a ground for dismissing the application unless the court or judge, as the case may be, considers that –
- (i) some interested party has or may have been prejudiced by the applicant’s failure to institute the application in the proper form; and
 - (ii) such prejudice cannot be remedied by directions for the service of the application on that party, with or without an appropriate order of costs.”

The above provisions mean that the use of the incorrect form of application on its own does not justify dismissal of the application save where the court considers that the two situations stated in the rule exist. I am prepared to accept that in the present case the respondents would not be prejudiced by the manner in which the applicants proceeded given that the provisional order, if it was to be granted, would be served upon them after which they would have ten days within which to file opposing papers. Thus if the only ground of complaint related to the use of the incorrect application I would have had no difficulty in finding for the applicants on that point. But the issue goes beyond that. The applicants, in the interim relief are essentially inviting the court to grant the same relief which it has already granted in Case No HC 8318/16.

The minor differences in the formulation of the draft provisional order in the instant application compared to the relief granted in HC 8318/16 are a matter of detail and not substance. That is the aspect of the relief being sought which is problematic for the applicants.

Where an interdict or other order *ad factum praestandum* is disobeyed the party in whose favour the order was granted should not come back to court to seek the same relief, as has happened in the present case. He should institute proceedings to enforce the order. If he thinks that the hearing of the application to enforce the order will be dealt with as an ordinary court application thereby causing a delay, his recourse is to institute an application for the urgent hearing of that matter. The application may be made as an urgent chamber application. If the court accedes to an invitation to grant the same relief several times there is a risk that the same matters will be argued and reargued, thereby unnecessarily clogging the court's roll.

The relief being sought in the interim is an interdict. The requirements for an interlocutory interdict are settled within this jurisdiction. They are:

- (1) that the right which is sought to be protected is clear; or
- (2) that (a) if the right is not clear, it is *prima facie* established, though open to some doubt; and (b) there is a well-grounded apprehension of irreparable harm if interim relief is not granted and the applicant ultimately succeeds in establishing his right;
- (3) that the balance of convenience favours the granting of interim relief; and
- (4) the absence of any other satisfactory remedy.

See *Nyambi & Ors v Minister of Local Government & Anor* 2012 (1) ZLR 559(H) at 572C-E; *Econet (Pvt) Ltd v Minister of Information* 1997 (1) ZLR 342(H) at 344G-345B; *Watson v Gilson Enterprises & Ors* 1997 (2) ZLR 318(H) at 331D-E; *Nyika Investments (Pvt) Ltd v ZIMASCO Holdings (Pvt) Ltd & Ors* 2001 (1) ZLR 212(H) at 213G-214B.

Whether there is a right in existence is a question of substantive law; whether that right is clearly or only *prima facie* established is a question of evidence. *Nyambi & Ors v Minister of Local Government & Anor* (*supra*), p. 574C-D. *In casu* the applicants do have a right to carry on their business without unlawful interference with their trade mark or business operations through passing off. The applicants have “**Remington Gold**” registered as their trade mark. There is also a conditional acceptance of the applicants' mark as “**'R' and 'G'**”. However, there is a new dimension to the dispute in this matter which was not there when MTSHIYA J gave the

judgment in 8318/16, which is that the first respondent is the holder of registered trademarks in respect of the “**RG**” and “**Rudland & George**” marks to which the interdict sought relates. The Certificates of Registration are attached to the respondents’ opposing papers. They were issued on 5 January 2017. The applicants do not refer to those certificates in their founding papers. The applicants in their answering affidavit question the registration of the “RG” and “Rudland & George” trade marks by the respondents. However, the registration remains extant as it has not been reversed. Granting the relief sought in these circumstances would therefore amount to interdicting an act that is sanctioned by the law. It is up to the applicants to challenge the registration of the trade marks in accordance with the law. The issue of whether the registration of the trade marks was proper in the face of the extant orders of this court is a matter for the court to deal with should that registration be challenged. For the purposes of this application, it would be inappropriate for the interdict to be granted when there is no reference in the order being sought to the registered trademarks. The order would infringe upon the registered rights of the respondents.

While the applicants have established a right, the respondents have established that they also have a right to the use of their registered trademarks. It is therefore necessary to consider the other requirements for the interdict sought. As the applicants’ right is clearly established based on the registration of the trademarks and the orders granted in Case Numbers HC 8318/16 and HC 9057/16, it is not necessary for me to inquire into the question of the existence of a well-grounded apprehension of irreparable harm. *Nyika Investments (Pvt) Ltd supra* at 214B-D; *Nyambi & Ors v Minister of Local Government & Anor supra* at 572F-G.

The balance of convenience is determined by weighing the prejudice to the applicants if the interim interdict is refused against the prejudice to the respondents if it is granted. *Nyambi & Ors v Minister of Local Government supra* at 574G-H. Both parties will be prejudiced by whatever relief is granted. There is no evidence that the prejudice to the applicant outweighs that which the respondents would suffer if the interim interdict is granted. Further, as pointed out, it would not be proper for me to interdict the respondents from exercising rights in terms of their registered trademarks when the registration has not been impugned.

The applicants have the alternative recourse to have the registration of the first respondent's trademarks set aside. If that happened then they would be able to seek enforcement of the orders which are already in existence in their favour.

It is settled law that the court has a general and overriding discretion as to whether or not to grant an interim interdict even where the requirements for it have been established. *Nyambi & Ors v Minister of Local Government & Anor supra* at 575D; *Watson v Gilson Enterprises & Ors supra* at 331E; *Francis v Roberts* 1972 (2) RLR 238(A) at 248F. That discretion must be exercised judicially upon a consideration of all of the relevant circumstances of the case. In the present case, it would be undesirable, and therefore an improper exercise of that discretion, to issue an order stopping an act that is lawful on the face of it.

On the question of costs, ordinarily these would follow the result. However, this is a matter in which there are very unusual features. In particular, there are two sets of trademarks both registered by the same office even though the holders of the trademarks are competitors in business. The question of the circumstances in which the registrations, especially those of the respondents' trademarks, took place is a matter for the court which will be called upon to inquire into that issue. It certainly is a matter that presents difficulties how the registration would have proceeded in the light of the orders granted by this court. Given those circumstances, it seems to me that this would not be an appropriate case for the applicants to be ordered to pay the costs given that they approached the court on the basis of seeking to protect their registered trademarks only to be met with the defence that the respondents also have registered trademarks which bear upon the subject matter of the judgments given in HC 8318/16 and HC 9057/16. It is therefore only fair that each party bears its own costs.

Accordingly, IT IS ORDERED THAT:

1. The application is dismissed.
2. Each party should bear its own costs.

Kantor & Immerman, applicants' legal practitioners
Atherstone & Cook, 1st, 2nd and 3rd respondents' legal practitioners