



IN THE HIGH COURT OF SIERRA LEONE  
COMMERCIAL AND ADMIRALTY DIVISION  
FAST TRACK COMMERCIAL COURT

CASE NO: 070/16

WADI ABOUD & SONS (SL) LTD

-PLAINTIFF

AND

SHYAM KANAYALA DEWANI

-DEFENDANT

REPRESENTATION

O. JALLOH ESQ. (YADA WILLIAMS & ASSOCIATES)  
THE PLAINTIFF

-COUNSEL FOR

S. S. THOMAS ESQ. (M.S TURAY & ASSOCIATES)  
THE DEFENDANT

-COUNSEL FOR

BEFORE THE HON. MR. JUSTICE SENGU M. KOROMA JA  
RULING DELIVERED ON THE 29<sup>TH</sup> JUNE, 2016

## **BACKGROUND**

1. By a Notice of Motion dated the 7<sup>th</sup> day of March, 2016, the Plaintiff/Applicant (hereinafter referred to as the "Applicant") applied to this Court for various injunctive reliefs. The first application for an interim injunction was heard exparte on the 16<sup>th</sup> March, 2016 and the Order prayed for was granted. On the 22<sup>nd</sup> March, 2016, an interlocutory interim injunction took effect after the Applicant had filed his undertaking for damages and served same on the Defendant/Respondent (hereinafter referred to as "the Respondent") together with the Writ of Summons herein, the Order dated 16<sup>th</sup> March, 2016 and the Notice of Motion dated 7<sup>th</sup> March, 2016. The Respondent was not represented by Counsel at this stage. On the 5<sup>th</sup> April, 2016 the Firm of M. S. Turay and Associates entered appearance for and on behalf of the Respondents.

## **THE PRESENT APPLICATION**

2. On the 18<sup>th</sup> April, 2016, Osman Jalloh Esq. of the Firm of Yada Williams and Associates prayed this Court for an injunction restraining the



Defendant whether by himself, his servants or agents or otherwise howsoever from passing off, infringing the Plaintiff's trademark by promoting, marketing, wholesaling, retailing, distributing, selling or offering for sale "SOFT N NICE FACIAL TISSUE" and "SOFT N NICE" toilet paper and other tissues packaged as products that have a connection and/or relationship with the Applicants "WAS FACIAL TISSUE" and "NICE TOILET PAPER". Mr. Jalloh also applied for "Any further Order/s or other relief/s that this Honourable Court may deem fit and just" and "that the costs of and incidental to this application be borne by the Defendant.

### **AFFIDAVIT IN SUPPORT**

3. The Applicant relied on the Affidavit of Dr. Raymond Aboud, senior vice-president of Wadi Aboud and Sons (SL) Ltd sworn to on the 7<sup>th</sup> March, 2016.
  - i. The Deponent swore that the Plaintiffs were the registered trademark proprietors and owners of the good will in the goods "WAS FACIAL TISSUE" and "NICE TOILET PAPERS" and exhibited the Trademark Certificates as "A", "B" and "C".



- ii. That the Respondent whilst trading under the business name of "Smart Home Builders" copied it's "WAS FACIAL TISSUE" and "NICE Toilet Papers" and were selling identical imitated products under the name "Soft n Nice facial tissue" and "Soft n Nice Toilet Paper". Copies of photographs depicting Applicants' products imitated identical goods that the Respondent was importing, offering for sale, distributing and selling were exhibited and marked "D 1-3" and "E 1-3" respectively.
- iii. That the copied products were mixed together with the Applicant's products confusing the unsuspecting customer.
- iv. That the Respondents were by their conduct infringing the Plaintiff's trademark and passing off its products with the intent to deceive members of the public into believing that the products were those of the Applicant's.
4. The Deponent further swore that the Respondent was in the retail business importing building materials and brings in the imitated products in containers.

5. The Deponent exhibited documents regarding profit and loss of the Applicant' business to show that it had and was still suffering tremendous loss and damage by the reason of the Respondent's deliberate misrepresentation and deception.

### **AFFIDAVIT IN OPPOSITION**

6. The Respondent opposed the application and swore to an Affidavit on the 7<sup>th</sup> April, 2016. In the said Affidavit, the Deponent swore that he was the registered owner/proprietor of Trademark "Soft n Nice" in class 38 in respect of facial tissues-Exhibit SKD 1 and that he had never imitated or infringed the trademark of the Applicant. He swore that the Applicants' conduct has caused severe damage and loss to his business venture and that the Applicants were trying to prevent reasonable competition. Rather interestingly, the Respondent swore that the matter herein could best be addressed by an award of damages rather than by an injunction.

### **AFFIDAVIT IN REPLY**



7. The Applicants swore to and filed another Affidavit on the 7<sup>th</sup> April, 2016. In the said Affidavit, the Deponent swore that subsequent to the application for and grant of the interim injunction herein, the Respondent passed-off another product which he verily believed was passed off as the product of the Applicants-Exhibit “EXN”.

### **SUBMISSIONS OF COUNSEL**

8. In his submissions, Counsel for the Applicant O. Jalloh Esq. referred the Court to Exhibits A1-3 in regard the facial tissue and Exhibits B1-3 in regard to the “Nice Toilet Paper” and commented that the colours and design were the same and only the words were different which was bound to create confusion in the eyes of the customer. Customers do not generally look for words as long as the colours were the same.
9. Counsel submitted that after the interim order was served on the Respondent he removed the name “Soft n Nice” on the product (the subject of the interim Order) and replaced it with “Smart home”.
10. Counsel for the Applicant referred the Court to Exhibit “J” showing a total loss caused to Applicant as a result of the Respondent’s conduct as Le611, 960,000.00 from the period 31<sup>st</sup> May, 2015 to 4<sup>th</sup> March, 2016 (in

respect of the WAS Facial Tissue) and Exhibit "K" a loss of Le 359,130.200.00 to the Applicant in respect of NICE Toilet roll for the same period. He submitted that if this trend were to continue, the Applicant will be put out of business. He submitted that this showed that damages would not be an appropriate remedy. This is especially so when the Respondent was underselling his own products-he sells at Le 286,000/00 whilst the Respondent sells at Le 220,000/00.

11. Mr. O. Jalloh concluded by submitting that the Respondent cannot hide under the guise of having a Trademark for "soft and nice" but continues using the design and colours of the Applicant's products.
12. On the Law, the Applicant relied on Order 35 Rule 6 of the High Court Rules, 2007, the case of **T. Choithrams & Sons -v- Registrar-General (1964/66) ALR Sierra Leone series Page 253 per Beoku-Betts J** at 258 lines 20-28. He relied on the T. Choithrams case to argue that the Applicant owned the name, the mark and goodwill. In the circumstances, the Respondent by his conduct had infringed the trademark of the Applicant.



13. Counsel also cited the case of **Michael Aboud & Sons –v- Pee Cee and Sons (Pan Tap Store) 1970-71 ALR S.L series 125**, the case of **Chief Sam Sumana –v-The Attorney-General and Minister of Justice and Victor Bockarie Foh Supreme Court 4/2015**.
14. Counsel for the Respondent S. S. Thomas Esq. in his submissions referred to the Defence and Counter-claim filed on behalf of his client to prove that they were prepared to defend the action. He also relied on paragraphs 3-8 of the Affidavit in opposition.
15. Counsel for the Respondent drew the attention of the Court to the relevance of interlocutory applications which were to protect the Applicant against injury for which damages were inadequate which must be weighed against the corresponding need for the Respondent to be protected from injury if he is determined successful and the Plaintiff's undertaking turns out to be insufficient. He submitted that Counsel for the Applicant in his submission proved that the damages in this action were quantifiable and so damages should be the best remedy in this case.
16. He contended that the Applicants were arguing that if the injunction was not granted, they would be thrown out of business but are ironically



pleading for the injunction to be granted so that the Respondent would be thrown out of business before the determination of the matter on its merits.

17. Counsel for the Respondent submitted that all authorities cited by the Applicant related to trademarks, trade name or trade signs not colours or designs. He opined that similarities in colours or designs of products could never amount to an infringement of trademarks.
18. Counsel further submitted that granting an injunction would seriously injure the Respondent and urged the Court to grant a speedy trial instead. If the Respondent failed in the action, he would be in the position to pay whatever damages are awarded.
19. On the Law, Counsel for the Respondent relied on the American Cyanamid case, Order 29 pages 564 through to 579 of the English Supreme Court Practice, 1999 under the rubric “Guidelines to be followed in Interlocutory Injunctions”, especially the rubric “Adequacy of Damages as a remedy” and “Balance of convenience”.

20. In reply, Counsel for the Applicant argued that the Defendant was a sole proprietorship and there was no evidence before this Court that that he would be in the position to pay damages.
21. In response to his colleague's submission on infringement of Trade Marks, Mr. Jalloh reminded the Court that the action was for both an infringement of trade marks and passing off of goods. He submitted that that his colleague's assertion that colour had no relevance in this matter was wrong.
22. Counsel for the Applicant submitted that apart from passing off of their goods, the Respondent was also copying the Plaintiff's products and designs. He referred the Court to Exhibits D1 and D2-the use of the Applicant's back code.
23. Mr. Jalloh finally referred the Court to Sections 9 and 10 of the Trademark Act, No 8 of 2014. He also relied on the American Cyanamid case.

### **THE LAW**

24. The Applicant's Writ of Summons covers two separate but similar areas of the law. To wit: Passing off and Infringement of Trademarks. The



former creates a tortious liability whilst the latter is a creature of statute.

As the Sierra Leonean jurisprudence on passing-off is very scanty, I will seek recourse to English authorities in determining this application.

25. In countries with a free market system, the proper functioning of the economy depends upon competition between rival trade enterprises. It is the mechanism of competition which controls the price, quality and availability of goods and services to the public. Left to themselves business, rivals would not allow the free market to operate untrammelled. It is often to the advantage of an individual trader to seek to obtain a benefit from work done by other traders in establishing a market for a particular type or style of goods or services by, for example, copying the style and content of a successful business. For these reasons, the extent and nature of permitted competition is always controlled by law. The first aspect of control is designed to increase competition between enterprises so as to ensure that the benefits of the free trade are made available to the consumer. The second is designed to prevent

competition which seeks to make unfair use of another trader's efforts.

We are here concerned with the second aspect of control.

### What Is The Scope Of The Tort of Passing Off?

26. The tort of passing off consists essentially of a representation that a person's goods or business are connected with the goods or business of someone else. It is founded upon the acquisition by use by that other person of a reputation in the market place in relation to his business or goods. Most commonly, it takes the form of an implied representation made by the use of a name, mark or some other indicia distinctive of someone else's business or goods. It should be noted that "*the representation may take many forms; indeed 'the categories of representation are not closed.'*" Per Lord Parker in **SPALDING & BROS - v- A. W. GAMAGE Ltd (1915) 32 RPC 273 at 284.**
27. The tort of "passing off" first appeared in 1842 in **PERRY-v- TRUE FITT (1842) C. BEAV. 66.** However, the origin of the action appears to go back to at least 1618 where Doderidge J is reported as mentioning a case of "passing off" decided in 1580 (see **Doderidge J in SOUTHERN -v- HOW (1618) Poph 143 AT 144.**)



28. By 1810 it was established that the Court of Chancery would intervene to grant an injunction to restrain the Defendants' activities in such a case. Two cases brought shortly after this in the Common Law Courts show advances which Courts were prepared to make in protecting a trader's reputation in his mark. These cases were **SYKES –v- SYKES (1824) B & C 541** and **BLOFELD –v- BLOFELD (1833) 4 B & Ad. 410**.
29. The foundation of the modern law of Passing off is probably **PERRY-v- TRUEFITT** where Lord Langdale MR made the statement of principle which has subsequently been widely adopted:

*“A man is not to sell his own goods under the pretence that they are the goods of another man. He cannot therefore be allowed to use names, marks, letters or other indicia, by which he may induce purchasers to believe that the goods which he is selling are the manufacture of another.”*

30. The use of the term passing off seems to have become fully accepted in 1871 in the case of **LEVEL –v- GOODWIN (1871) 36 Ch. 1 Per Cotton LJ** although the extent of its application have continued to develop steadily.

It is with good cause that Lord Diplock described the tort of passing off as the most protean form of action in English Law available to a trader who wishes to complain of unfair trading – see **WARNICK – V-TOWNEND (1979) A. C. 731 at 740**. The source of all of the foregoing can be found in the book “PASSING-OFF-LAW AND PRACTICE by John Drysdal and Michael Silverleaf. Indeed the reasoning behind this ruling draws a lot of inspiration from this book.

31. The Law of registered mark on the other hand introduced by statute, in Sierra Leone, the Trade Mark Act, Cap 244 and the Trade Mark Act, No. 8 of 2014, grew out of the Tort of passing off.
32. The Act provides that a trader may register a trade mark and thus acquire property in the mark itself and a monopoly of the use of the mark in relation to the goods for which it is registered. The relevant provisions herein are Section 9 (4) and 9(5) and Section 19(1) (a).
33. I shall hasten to state that for the present application, I shall apply the rules relating to Passing off in determining whether to grant an injunction or not. This is because the injunction sought and the Affidavit evidence are more closely related to that action. This is not to say



however that the Trade Marks Act, 2014 may not apply to a certain extent.

### **THE PRINCIPLES TO BE APPLIED**

34. Counsel on both sides have relied on the principles enunciated by the English House of Lords in the American Cyanamid case. Most of the other authorities cited are more relevant to trials than interlocutory applications.
35. The interlocutory injunction is probably the single most important remedy available to the Plaintiff in a Passing off action. It enables him to obtain rapid relief from the Court to prevent the Defendant from committing acts of passing off. Acting reasonably swiftly it is possible to obtain an injunction to restrain the Defendant until the trial of the action. It should however be noted that an interlocutory injunction is granted by the Court without full consideration of the merits of the Plaintiff's case. It is, therefore a condition of its grant that the Plaintiff gives a cross undertaking to the Court to pay damages to the Defendant in respect of any loss suffered by reason of the existence of the interlocutory injunction, if the Defendant is successful at the trial.

36. The principles governing the grant of interlocutory injunction were reconsidered by the House of Lords in **AMERICAN CYANAMID CO. -V - ETHICON LTD (1975) AC 396**. The approach to be adopted was set out by Lord Diplock in a speech with which the other members of the House agreed. These principles are so well known that I need not state them here. Before proceeding further, it is, however salutary to bear in mind the warning given by **Kerr LJ in CAMBRIDGE NUTRITION LTD - V- BBC (1990) 3 ALL ER 523 at 534** about the nature of the guidance given by Lord Diplock: *"It is important to bear in mind that the American Cyanamid case contains no principles of universal application. The only principle is the statutory power of the Court to grant injunction where it is just and convenient to do so. The American Cyanamid case is no more than a set of useful guidelines which apply in many cases"*
37. Thus there may be circumstances in which the guidelines are simply inappropriate, and in such cases, an alternative approach must be taken. The importance of this statement shall soon become apparent.
38. It has been suggested by a number of Judges, notably Lord Denning that the American Cyanamid guidelines are inappropriate to passing off



actions – **NEWSWEEK – V BBC (1979) RPC 441 at 448** – where Lord Denning followed his previous comment in **FELLOWES –V FISHER (1976)**

**Q. B. 122** that such cases should normally be decided by motion. This view was supported by Kerr LJ who said “*Suggestions have been made that in order to obtain an interlocutory injunction, the Plaintiff must do rather better than demonstrate a merely arguable case and that, where primary facts are not substantially disputed, the proper approach is simply to decide the outcome of the action*” – Per Kerr LJ in **SODA STREAM LIMITED – V- THORN CASCADE LIMITED (1982) RPC at 467.**

39. According to John Drysdal and Michael Silverleaf in their book “PASSING OFF – Law and Practice, second Edition, 143 such suggestions have, however, now been authoritatively by rejected by NOURSE L.J. in **COUNTRY SOUND PLC – V- OCEAN SOUND LTD” (1991) FSR 364.**

“In some cases it can be said that a passing off action is especially suited to an application of the American Cyanamid principles ...” At times a judge can see at once that the rival get up, will confuse ordinary, sensible members of the public into believing that the goods are those of the Plaintiff. In such a case, an interlocutory injunction will be granted. The

Judge who hears the interlocutory injunction is at a special advantage. He pictures the same rival get ups standing on either side of the trial Judge”.

40. In practical terms, whilst the American Cyanamid guidelines do generally apply to claims of passing off, many, if not most, passing off disputes exhibit characteristics which mean that their application is not straight. Where the decision will in practice decide the dispute, the Court will approach the matter without applying the guidelines. Where the likelihood of confusion is slight, the Court will frequently treat this as the determinative factor in the balance of convenience. This is especially so where the grant of an injunction will end the matter.
41. It is only in case where the Court is simply unable to determine whether the merits favour the Plaintiff or Defendant that a “Classical” application of the guidelines is necessary.
42. I shall now endeavor to apply the foregoing principles to the facts of this application.
43. The Applicant in the affidavit of Dr. Raymond Aboud has sworn that it is the registered trade mark proprietor and owner of the goodwill in the goods “WAS” Facial Tissue and “NICE” toilet paper. But the Respondent trading



as "Smart Home Builders" copied its goods and are currently importing offering out for sale, distributing and selling identical imitated products under the name "Soft N Nice Facial Tissue" and "soft n nice toilet paper." Copies of photographs depicting the Applicant's products and the Respondent's imitated products were exhibited and marked "Exhibit D 1-3" and Exhibit E 1-3 respectively. The imitated goods were mixed amongst the Applicant's goods thereby confusing the unsuspecting customer. Copies of the photograph of trading selling the respective products were exhibited and marked "Ex F."

44. I have looked at "Exhibit D 1-3" and "Exhibit E 1-3" and agree with the Applicant that the respective goods are so similar that it would be dishonest to argue otherwise. Agreed that the names are different but the writing on the respondent's good are so small that it would require a very sharp-eyed person to easily notice it. The colours are the same and there is the inscription of "NEW" on the Respondent's goods in Exhibit E 1-3 creating the impression that it is a newer version of the Applicant's goods. The confusion is made worse by Exhibit F where it is shown that the Applicant's goods are mixed with those of the Respondent by traders. To my mind,

these products would confuse ordinary sensible members of the public into believing that the Respondent's goods are those of the Applicant. As NOURSE L.J. puts it in the COUNTY SOUND P/C Case, "*in such a case, an interlocutory injunction will usually be granted.*"

45. The Respondent Counsel main argument was that there had not been any infringement as the Respondent is the registered owner/proprietor of the Trade Mark "soft n nice" is class 38 in respect of facial tissues and has been doing business within the limit of his trademark. I note that the Respondent has not provided evidence of the existence of ownership of trademark.
46. I respectfully disagree with the Counsel for the Respondent. This application deals with not only trademark violation but also the tort of Passing off. As I stated earlier in my ruling, though the Trade Mark Act, 2014 would also have some validity in this application, application of the law on passing –off would be more appropriate. I will not go into the details of this as this is only an interlocutory application
47. The tort of Passing off most commonly takes the form of an implied representation made by the use of a name, mark or some other indicia



distinctive of someone else's business or goods. More importantly, it has been held that the categories of representation are not closed. It follows therefore that because the Respondent has not used the names "WAS Facial Tissue" or "WAS Toilet Tissue" as in the registered trademark would relieve him of liability. The colour, markings, brand numbers on both goods are so similar that it would not be in the interest of fair competition for the Respondent to continue to sell their goods in the form in which they are.

48. The Respondent has submitted that damages would be the proper remedy in this case. I disagree. If the injunction is not granted, the Respondent will continue to sell his goods by passing them off as those of the Plaintiff and by the time the matter is determined in Court, the public would no longer be able to distinguish between them.
49. The Applicant has provided evidence that it had suffered damages as a result of the Respondent's activities. That he would continue to suffer damage in the future. See "Exhibit J" showing a total loss for a period of 11 months of Le 611,960,000.00 in respect of the WAS Facial tissue and Exhibit K showing a loss of Le 359,130,200.00 in respect of the "WAS Toilet Tissue" for the same period. The law is that in order to succeed in a

passing off action, damages must be proved. The position was put succinctly by **Cotton L. J in BORTHWICK –v-EVENING POST (1979) A C at 742.**

*“In order to justify the Court in granting an injunction, we ought to be satisfied that there probably will be damages to the pocket of the Plaintiff....we must have evidence to satisfy us that there is reasonable probability that in fact there will be damage to the party complaining.”*

50. I am satisfied that the Applicant will suffer serious damage to his finances if this Applicant is not granted.
51. Before concluding this ruling, I would want to briefly deal with the effect of the interlocutory injunction in a passing off matter. In a passing off action the outcome of the interlocutory injunction often determines the final outcome of the whole proceedings. If the Defendant is restrained at the interlocutory stage, he will have to find new colours etc for his goods, at any rate for the time being. Having done so, there will be little incentive for him to fight on to preserve what he in reality no longer needs to do. If the



application is unsuccessful, the Plaintiff will have to take appropriate commercial steps to cope with the situation.

52. This type of situation was not dealt with in the American Cyanamid case but arose subsequently in the *NWL-v-WOODS* where Lord Diplock said: *“American Cyanamid...was not dealing with a case in which the grant or refusal of an injunction at that stage, would in effect dispose of the action finally in favour whichever party was successful in the application...”* He went on to say that: *“wherever the grant or refusal of the interlocutory injunction will have the practical effect of putting an end to the action...The degree of likelihood that the Plaintiff would have succeeded in establishing his right to an injunction if the action had gone to trial is a factor to be brought into the balance of convenience.”* In the instant case, I believe that the Applicant will be able to prove his right to an injunction at the trial, if at all.

53. For the reasons given above, I hold that this is an appropriate case for the grant of an interlocutory injunction and hereby Order as follows:-

1. That an interlocutory injunction is hereby granted restraining the Defendant whether by himself, his servants or agents or otherwise by

himself, his servants or agents or otherwise howsoever from passing off, infringing the Applicant's trademarks by promoting, marketing, wholesaling, retailing, distributing, selling or offering for sale "Soft and Nice Toilet tissue" and Toilet paper" and other tissues packaged as products that have a connection and/or relationship with the Applicant's "WAS Facial Tissue" and "Nice Toilet Paper" pending the determination of the substantive matter.

2. That the Applicant makes an undertaking in writing to be bound by any Order this Court may make as to damages in the event that this Court shall hold that this Order ought not to have been granted.
3. That the parties close all pleadings in this matter within five (5) days from the date of this Order.
4. That the pre-trial settlement conference commences within three (3) days after period limited for close of pleadings.
5. That costs of this application is assessed at Le 5,000,000/00 to be borne by the Defendant to the Plaintiff.

A handwritten signature in dark ink, consisting of stylized, overlapping loops and flourishes, positioned above a horizontal line.