

BINDURA UNIVERSITY OF SCIENCE EDUCATION

FACULTY OF COMMERCE

DEPARTMENT OF MARKETING

STRATEGIC MARKETING MANAGEMENT

BS427

PROGRAMME: MARKETING

TIME: 3 HOURS 15 MINS

 JUN 2023

INSTRUCTIONS TO CANDIDATES

1. Answer Question 1 from Section A and any three questions from Section B.
 2. Credit will be given for use of appropriate examples.
 3. Start each question on a fresh page.
 4. No cell phones are allowed in the Examination room.
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SECTION A

Rudland's dream goes up in smoke

A company linked to businessman Simon Rudland has been barred from selling and distributing its Rudland & George (RG) cigarette brand in Zimbabwe after a copyright infringement application by Tonbridge Assets Limited (Tonbridge), which acquired Remington Gold from Tobacco Sales Limited (TSL) last year. While the controversial tycoon has strenuously denied the intellectual property theft charges saying they were malicious and he had no links with Cut Rag Processors (Cutrag) as well, High Court judge November Mtshiya has interdicted Livera Trading (Livera), the Pioneer Corporation founder and his daughter Sarah Rudland from promoting the South African-made brand on account that it risked "causing confusion" with goods registered under the trademark 1710/2000.

"The 1st (Livera), 2nd (Rudland) and 3rd (Sarah Leigh)... be and are hereby interdicted from infringing on... copyrighted products by using similar or the same artistic works as that on the applicants' packaging for its Remington Gold cigarettes," he said in a September 02 provisional order also calling on court bailiffs and the Zimbabwe Republic Police to help seize all material, and products associated with the smoking newbie or fag.

"...any person acting through them be... ordered to deliver (to Tonbridge)... for destruction (of) all products, packaging labels, posters, wrapping, advertising... materials in the possession of the respondents... (and) bearing the mark RG or so nearly resembling the trademarks of the applicants," Mtshiya said.

"The sheriff of Zimbabwe and/or his lawful deputies be... authorised to search for and remove to a storage facility all goods... identical to the applicants' registered mark 1710/2000 in class 34 from the first respondent (Livera)'s premises at no 40 Van Praagh Avenue, Milton Park... or where ever such goods are located," read part of the relief sought by the Switzerland-based company's lawyer Addington Chinake of Kantor & Immerman.

However, Rudland says in his opposing affidavit that Tonbridge's court action was unjustifiable on three key points related to its first abortive application, has a pending damages claim and must be struck off the rolls since it was filed two weeks after the show-cause unfair competition window.

And while the European investor is also holding out that the aggressive businessman is also on the wrong end of the law by launching a competing cigarette brand since he would have benefited from the \$2 million sale of Remington, the ex-bus and transport baron says he had no links with Cutrag's parent TSL whatsoever as it was his brother Hamish, who was invested in the Zimbabwe Stock Exchange-listed conglomerate.

"By their own admission, applicants (Tonbridge) have a registered trademark. That registered trademark is called Remington Gold. It is not RG. They have no intellectual property rights in the letters RG..." Rudland said in his court papers.

"They do not have a registered trademark called RG. The letters RG are my initials. I cannot be stopped from using my names. This is a trite legal position that has stood the test of time," he added. And as the dispute rages, it is Swiss-based firm's contention that the Rudland brothers hold a 27 percent stake of Washington Matsaira's company.

While the tenacious entrepreneur's dream seems to have gone up in smoke following the court order, it remains to be seen what will become of the intriguing case and lucrative tobacco business turf wars since RG had been introduced into this market through South African-based Gold Leaf Tobacco.

On its launch last Wednesday, country representative Tanaka Matimbe said the introduction of the brand in Zimbabwe was part of a broader regional objective to expand Malawi, Mozambique and Zambia.

"We started selling the beginning of last month. We haven't sold much but we have gotten in two containers and we hope to continue bringing at least two containers a month until the end of the year," he said.

Following Remington's acquisition by Tonbridge, the cigarette brand was being manufactured in Zimbabwe under an arrangement with Adam Molai's Savannah.

Source: Kachembere J 2016 www.dailynews.co.zw

QUESTION ONE

- a. What is the bone of contention for Tonbridge Assets Limited. (5)
 - b. Compare and contrast brand and trademark as used in the case. (10)
 - c. State and explain packaging elements mentioned in the case. (10)
 - d. Explain the benefits of differentiated marketing as stated in the case. (15)
- [TOTAL 40 MARKS]**

SECTION B

QUESTION TWO

Show how three criteria for effective segmentation can be used in banking industry.

[TOTAL 20 MARKS]

QUESTION THREE

- a. Show the difference between vertical integration, horizontal integration and conglomeration. (10)
 - b. In industry analysis, substitutes can pose great threat. Discuss some of the drivers for the increase in threats of substitutes. (10)
- [TOTAL 20 MARKS]**

QUESTION FOUR

The marketing manager for OK supermarkets has heard about the Ansoff's matrix. He has approached you on its application. Advise him/her on how s/he can use it in developing the retail group.

[TOTAL 20 MARKS]

QUESTION FIVE

With the aid of practical examples, discuss attack strategies that market followers can use to grab market share.

[TOTAL 20 MARKS]

QUESTION SIX

Discuss the drivers of a differentiation strategy. **[TOTAL 20 MARKS]**

*****END OF PAPER*****