



**Namaste Laboratories LLC v Zelfa Enterprises Limited (Civil Case E288 of 2020)  
[2022] KEHC 240 (KLR) (Commercial and Tax) (24 March 2022) (Ruling)**

Neutral citation: [2022] KEHC 240 (KLR)

**REPUBLIC OF KENYA  
IN THE HIGH COURT AT NAIROBI (MILIMANI COMMERCIAL COURTS)  
COMMERCIAL AND TAX  
CIVIL CASE E288 OF 2020  
WA OKWANY, J  
MARCH 24, 2022**

**BETWEEN**

**NAMASTE LABORATORIES LLC ..... APPLICANT**

**AND**

**ZELFA ENTERPRISES LIMITED ..... RESPONDENT**

**RULING**

1. The Plaintiff/Applicant herein, Namaste Laboratories LLC, filed the application dated 12<sup>th</sup> August 2020 seeking orders of injunction to restrain the respondent from importing, distributing, selling, offering for sale, advertising, marketing, stocking, or otherwise dealing with hair and skin care products ranging from relaxers, oils, shampoos, hair grease whatsoever that infringe on the Applicant's trademarks.
2. The Application is supported by the Affidavit of the Applicant's Director Mr. Joseph Binoy and is premised on the grounds that: -
  - a. The Plaintiff is and was at all material times a company incorporated in the State of Illinois, United States of America and registered for carrying out business within the Republic of Kenya under a Certificate of Compliance No. CFI/ 2015/211435 under Section 366 of the *Companies Act*, Cap 486 (Repealed) carrying on the business of producing, distributing and selling hair and skin care products ranging from relaxers, oils, shampoos, hair grease, and others.
  - b. That over the course of business, the Plaintiff has developed unique products and has sought to protect the consumer goodwill, reputation and intellectual property associated with its products by trademarking the words "Olive", "Oil", "Olive Oil", "Hair", "Sheen Spray", and the letters "O", "R", "S" and the "Olive Fruits Device" each separately and apart from the mark as a whole. The mark is restricted to colours "Pantone 376C", "Pantone 5747C", "Pantone 194C"



and "Pantone 2300C". The trademark was initially registered as Trade Mark «Nos. 74259, 76928 and 71550. The same has been consistently renewed with the

- c. Most recent renewal of the trademark being registered as Trade Mark No. 102994 under Class 3 with an effective date of 11<sup>th</sup> July 2018 to 11<sup>th</sup> July 2028.
  - d. That the Plaintiff has over period of over five years cultivated goodwill amongst consumers, gained a substantial market share and developed brand loyalty over its operations in the country.
  - e. It has come to the Plaintiff's knowledge that the Defendant has infringed and continues to infringe the Plaintiff's registered trademark and is passing off as the Plaintiff by importing, distributing or offering for sale and generally undertaking the business of hair and skin care products such as oils, shampoos, hair grease amongst others in a design strikingly similar to the Plaintiff's thereby deceiving the Plaintiff's customers that it is the Plaintiff.
  - f. Specifically, the Defendant has infringed on the Plaintiff's trademark, good will and intellectual property by seeking to pass off its products packaged in a spray can of similar logo, get up and pictorial representation on the container as to that of the Plaintiff trademarked packaging and branding in the consumer market.
  - g. Further, that the Defendant has sought to package their produce in 400 ml and 100 ml containers that confuse consumers as to their similarity with the Plaintiff's packaging of 472 ml and 85 ml. Such packaging was deliberately adopted so as to cause confusion amongst reasonable consumers as to the Plaintiff's products.
  - h. That the continued infringement of the Plaintiff's trademark and the continued passing off of the Defendants products as the Plaintiff continues to cause irreparable damage to the Plaintiff's goodwill, reputation and market connections.
  - i. And further that as a result of the Defendant's conduct, the Plaintiff has suffered and continues to suffer massive financial loss, irreparable harm to its goodwill and brand identity.
  - j. It is in the interest of justice and fairness that the Application be certified as urgent and be heard ex -parte to protect the Plaintiff's commercial interests.
  - k. The respondent has infringed on the Applicant's trademark thus causing it loss of goodwill, erosion of brand identity and significant monetary loss from reduced sales and profits for the Applicant.
3. The Respondent opposed the application through the Replying Affidavit of its Director, Mr. Abdihakim Mohamed Abdulahi, who confirms that the Defendant deals in distributorship of various hair and beauty products that are manufactured and imported from different counties of origin. He states that some of the products such as Feah, that are imported from United Arab Emirates, have been in the Kenyan market for a period exceeding 5 years and that the Kenyan authorities including Kenya Bureau of Standards (KEBS) and Kenya Revenue Authority (KRA) have been clearing the said products at the port of entry.
  4. The respondent's deponent maintains that the respondent only deals with the hair nourishing brand known as Feah and not ORS brands or related products. He adds that the Applicant's register of trademark only relates to ORS but states that the trademark registration certificates do not contain the colours allegedly attributed to the Applicant at paragraph 5 of the supporting affidavit. He further



states that the alleged olive oil registration is not supported by facts and evidence since the trademark is for "Olive Oil ORS" products only.

5. It is the respondent's case that they have not passed off the applicant's products and that the allegation of striking similarity of the products is remote and farfetched.
6. The respondent maintains that the alleged proceedings in foreign jurisdictions do not concern their company and, in any case, have no bearing on their distributorship.
7. Parties canvassed the application by way of written submissions, which I have considered. The core issue in this application is the respondent's alleged infringement of the applicant's trademark. The applicant alleges that the respondent has infringed on its trademark thereby undermining the goodwill that it has built over time, by seeking to pass off its products thus causing the applicant substantial reputational damage, loss of goodwill and economic loss from diminished sales and lower profitability. The applicant therefore seeks an order of injunction to restrain the respondent from further infringement of their trademark pending the hearing and determination of the suit.
8. On its part, the respondent denied the alleged infringement of the applicant's trademark and maintained that its products bear no similarity to the applicant's products. The respondent added that it has dealt with the said products for a period of over 5 years.
9. The principles governing the granting of orders of injunction were set out in the case of *Giella vs Cassman Brown & Co. Ltd.* [1972] EA 358 wherein it was held that:-

"The conditions for the grant of an interlocutory injunction are ...well settled in East Africa. First, an applicant must show a prima facie case with a probability of success. Secondly, an interlocutory injunction will not normally be granted unless the applicant might otherwise suffer irreparable injury, which would not adequately be compensated by an award of damages. Thirdly, if the court is in doubt, it will decide an application on the balance of convenience."

10. *In Mrao Ltd vs. First American Bank of Kenya Ltd & 2 Others* [2003] KLR 125, Bosire, JA proffered the following definition of what a prima facie case is: -

"...So what is a prima facie case? I would say that in civil cases it is a case in which on the material presented to the court a tribunal properly directing itself will conclude that there exists a right which has apparently been infringed by the opposite party as to call for an explanation or rebuttal from the latter...a prima facie case is more than an arguable case. It is not sufficient to raise issues. The evidence must show an infringement of a right, and the probability of the applicant's case upon trial. That is clearly a standard which is higher than an arguable case."

11. Section 7 (1) of the [Trademarks Act](#) provides that the registration of a person as the proprietor of a trademark, if valid, gives that person the exclusive right to the use of the trademark in relation to the goods or in connection with the provision of services. The section further states that the right is infringed when a person, who not being a proprietor of the trademark or a registered user of the trademark, uses a mark identical with or so nearly resembling it as to be likely to deceive or cause confusion in the course of trade or in connection with the services in respect of which it is registered.



12. In the present case, the applicant annexed the registered trademarks to the Supporting Affidavit to demonstrate that it registered four trademarks in class 3 (relating to hair care preparation Products), namely; -
- a. Trade Mark No. 102994 which covers the use of the words "Olive", "Oil", "Olive Oil", "Hair", "Sheen Spray", and the letters "O", "R", "S" and the "Olive Fruits Device" each separately and apart from the mark as a whole. The mark is restricted to colors "Pantone 376C", "Pantone 5747C", "Pantone 194C" and "Pantone 2300C".
  - b. Trademark 74259 which covers the use of the letters "O", "R", "S", each separately and apart from the mark as a whole.
13. The respondent, on the other hand, argued that the certificate of registration trade mark produced by the applicant contains a disclaimer that stops the Applicant from exclusive use of the phrase "Formerly Organic Root Stimulator", "Olive", "Oil", "Olive Oil", "Hair", "Sheen Spray", the letters: "O", "R", "S" when used separately. The respondent contended that the applicant could not therefore claim that its rights have been infringed since no one can claim exclusive use of the disclaimed words and are open for anyone to use, as they are available for other businesses to use in marketing comparable goods or services.
14. The respondent further argued that the applicant's register of trademark ORS in trademark number 74259 and 76928 are only in respect to the use words ORS as a whole. It was submitted that the alleged olive oil registration is not supported by facts and evidence since the that the respondent's Olive Oil Feah product is not similar in any way to the applicant's Olive Oil ORS. The respondent cited the decision in *Solpia Kenya Limited vs Style Industries Limited & Another* where it was held, inter alia, that: -
- “Therefore, as a principle of law, the fact of registration of trademark per se does not entitle the proprietor of a trademark to an automatic injunction to restrain the use of the trademark by a person who has continuously used the trademark prior to, during and after the registration of trademark. In other words, in the face of a claim of prior user of trademark, and absent other strong and cogent evidence, the fact of registration of trademark does not invariably constitute a prima facie case with a probability of success in the sense of the case of *Giella v Cassman Brown*. Where Section 10 is called into play, the Court should be careful not to use the fact of registration of trademark as the sole basis for restraining the use of the trademark by the person claiming prior use of the trademark.”
15. Reference was also made to Section 17 of the Trademark Act on Registration subject to disclaimer. The section provides that: -
- Section 17. If a trade mark—
- contains any part not separately registered by the proprietor
- (a) as a trade mark; or
  - (b) contains matter common to the trade or to the provision of services of that description or otherwise of a non-distinctive character, the Registrar or the court, in deciding whether the



trade mark shall be entered or shall remain on the register, may require, as a condition of its being on the register—

- i. that the proprietor shall disclaim any right to the exclusive use of any part of the trade mark, or to the exclusive use of all or any portion of any such matter, to the exclusive use of which the tribunal holds him not to be entitled; or
- ii. that the proprietor shall make such other disclaimer as the tribunal may consider necessary for the purpose of defining his rights under the registration:  
Provided that no disclaimer on the register shall (Affect any rights of the proprietor of a trade mark except such as arise out of the registration of the trade mark in respect of which the disclaimer is made.

16. The Plaintiffs application is predicated on the claim that it is the proprietor of the registered trademark. Section 10 of the Trademark Act, as read together with Section 7 thereof, come into play. Section 10 stipulates that: -

Nothing in this Act shall entitle the proprietor or licensee of a registered trademark to interfere with or restrain the use by any person of a trademark identical with or nearly resembling it in relation to goods in relation to which that person or predecessor in title of his has continuously used the trademark from a date anterior-

- i. to the use of the first mentioned trademark in relation to those goods of the proprietor or a predecessor in title of his; or
- ii. to the registration of the first mentioned trademark in respect of those goods in the name of the proprietor or a predecessor in title to whichever is the earlier, or to object (on such being proved) to that person being put on the register for that identical or nearly resembling mark in respect of those goods under subsection (2) of Section 15.

17. The question that the court has to grapple with is whether the Applicant has exclusive use of the phrases as they appear in trademark No. 102994. In *Pharmaceutical Manufacturing Company vs Novelty Manufacturing Ltd HCCC No 746 of 1998*, referred to by Gikonyo, J in *Solpia Kenya Limited vs Style Industries Limited & Another (2015) eKLR*, Ringera, J (as he then was) held that: -

“Registration of a trademark confers the right of exclusive use of the mark. Infringement of the trademark is a tort of strict liability. Intention and motive are irrelevant considerations... the right is a statutory one”

18. In the instant case, it was not disputed that the applicant is the registered owner of the trademark “ORS” thus giving the applicant the exclusive right to the trademark. The next issue for consideration is whether the applicant has demonstrated that the defendant has been infringing on its trademark. When faced with a similar case in *Webtribe Limited T/A Jambopay vs Jambo Express Limited [2014] eKLR* the court held that: -

“The plaintiff is not also claiming a patent or monopoly over its online payment system; what is in issue is whether the Plaintiff has exclusive rights to the use of the name ‘Jambopay’ to the extent that it can claim infringement of that right by the defendant’s trade name that bears the word “Jambopay”. Doubtless, a just determination of the issues herein especially of the plaintiff’s right and alleged infringement of trademark does not just depend on



the registration of the Trademark ‘Jambopay’ by the plaintiff but includes determination of other issues such as whether the protection provided to the name “Jambopay” by the trademark registered in favour of the Plaintiff overrides the protection of the name “Jambopay Express Limited” secured through the registration of the name as a company; and whether the defendant’s intent in registration of its trade name was to cause confusion among consumers and to capitalize in the Plaintiff’s goodwill in the online payment services market. Equally, the circumstance in which the Defendant Company was registered is in the center of this suit and whether it is an infringement as alleged. In light thereof, the material before the court is not sufficient for the Court to issue an injunction. More reinforcing evidence is needed and the best mode of delivery is oral as well as documentary evidence. See the case of Hoswell Mbugua Njuguna t/a Fischer & Fischer Marketing (High Court Civil Case No. 599 of 2010) (unreported), where it was held that in the absence of oral evidence which can be tested by way of cross examination, it would be difficult to ascertain whether a Defendant has infringed on any intellectual property rights of a Plaintiff. I therefore find that as long as the alleged infringement by the defendant is anchored on the existence of the plaintiff’s exclusive rights, the registration of the Defendant and its business ventures, and as long as the Defendant is a registered company, no prima facie case that has been established.”

19. The principle that emerges from the foregoing authority is that whether or not there has been an infringement of trademark does not merely depend on the registration of the trademark but includes determination of other issues such as; whether the protection granted under the claimant’s trademark supersedes other registration; and whether the defendant’s aim in registering it trademark was to cause confusion among consumers or to capitalize on the plaintiff’s goodwill.
20. My finding is that from the material so far availed before this court, and at this interlocutory stage of the proceedings, it is not possible to make a conclusive finding that the plaintiff’s trademark has been infringed. This is to say that the court will be required to subject the affidavit and documentary evidence tendered by the parties herein to an intrinsic test through cross-examination in order to ascertain if the defendant has infringed on the plaintiff’s trademark.
21. My further finding is that, at this early stage in the proceedings, it is not possible ascertain how the defendant has infringed the plaintiff’s trademark, more so taking into account the defendant’s position that its Olive Oil Feah product is not similar in any way to the applicant’s Olive Oil ORS. I am therefore unable to find that the plaintiff has made out a prima facie case to warrant the granting of orders of injunction.
22. On the second condition on irreparable harm, the Court of Appeal stated as follows in [Nguruman Limited vs. Jan Bonde Nielsen & 2 Others \[2014\] eKLR](#): -

“On the second factor, that the applicant must establish that he “might otherwise” suffer irreparable injury which cannot be adequately remedied by damages in the absence of an injunction, is a threshold requirement and the burden is on the applicant to demonstrate, prima facie, the nature and extent of the injury...there must be more than an unfounded fear or apprehension on the part of the applicant. The equitable remedy of temporary injunction is issued solely to prevent grave and irreparable injury; that is injury that is actual, substantial and demonstrable; injury that cannot “adequately” be compensated by an award of damages. An injury is irreparable where there is no standard by which their amount can be measured with reasonable accuracy or the injury or harm is such a nature that monetary compensation, of whatever amount, will never be adequate remedy.”



23. The plaintiff argued that that the continued use of the trademark would damage its business reputation in such a manner that no award in damages would be sufficient to undo. I however note that the plaintiff did not place sufficient evidence to sustain the claim on loss of goodwill. I find that it is therefore not proper to deal with the same at the interlocutory stage.
24. My further finding is that the balance of convenience tilts in favour proceeding with the case to full hearing so that the parties can present evidence to support their positions. The court is also alive to the fact that in considering an application for injunction, it must always be careful not to make findings or observations that could prejudice the determination of the main suit.
25. For the above reasons, I find that the instant application is not merited and I therefore dismiss it with orders that costs shall abide the outcome of the main suit.

**DATED, SIGNED AND DELIVERED VIRTUALLY AT NAIROBI THIS 24<sup>TH</sup> DAY OF MARCH 2022**

**W. A. OKWANY**

**JUDGE**

**In the presence of: -**

Mr. Nkarichia for plaintiff/applicant.

No appearance for respondent.

Court Assistant: Abdi

