



**REPUBLIC OF KENYA**  
**AT HIGH COURT OF NAIROBI**  
**COMMERCIAL AND ADMIRALTY DIVISION**

**HCC 295 OF 2014**

**NAILI EAST AFRICA LIMITED.....PLAINTIFF**

**VS**

**SAMUEL KARIUKI.....1<sup>ST</sup> DEFENDANT**

**PATRICK ODHIAMBO.....2<sup>ND</sup> DEFENDANT**

**RULING**

**Preserving patent right**

[1] The Plaintiff's Notice of Motion dated 3<sup>rd</sup> July 2014 is seeking injunctive relief to restrain the Defendants from infringing on the Plaintiff's registered and patented Aquatic Plant Removal Method described as:-

***“The aquatic plant removal apparatus includes a heavy duty marine net preferably made of carbon fiber. To the net are attached to a winch, the winch being mechanically driven by deriving its rotary power from a tractor, a lorry or electrical motor”***

[2] The application is supported by the Supporting Affidavits and Further Affidavit of SAMUEL NGARI GITHINJI, the Plaintiff's Chief Accountant dated 3<sup>rd</sup> July and 23<sup>rd</sup> July 2014, respectively. The Plaintiff averred that he applied for registration of patent of his invention on 11<sup>th</sup> July 2013. But on 29<sup>th</sup> July 2014, the Defendants, without the authority of the Plaintiff, purporting to trade as Seaweed Environmental Restoration Limited demonstrated to Nation Media Group, KTN and CITIZEN Media houses the Plaintiff's patented invention. The company used by the Defendants is not registered. The use is therefore, an infringement of his invention as provided for under sections 35 and 37 of the Copyright Act. The infringement should be stopped through an injunction. The Applicant is convinced he has satisfied the principles of injunction established in the celebrated case of Giella –v- Cassman Brown. The Plaintiff has demonstrated that it exists as a limited liability company, applied for the patent of the invention in dispute while the Defendants have clearly admitted their entity is in the process of incorporation and they have not demonstrated that they have even attempted to apply for the patent. On this scale thereof the balance of convenience tilts towards the Plaintiff against the Defendants and the court should grant the injunctive orders sought herein. The opposition to the application by the defendants is in very general terms. They have not demonstrated that they own the invention. Indeed the 2<sup>nd</sup> Defendant has admitted that there is a fraud case against him by the Plaintiff which is in court and has not been determined.

## **The Defendants opposed the application for injunction**

[2] The 2<sup>nd</sup> Defendant filed grounds of opposition dated 15<sup>th</sup> July 2014 as well as a Replying Affidavit in opposition to the application. The 2<sup>nd</sup> Defendant submitted that the Applicant has not satisfied the threshold set out in the case of **Giella v. Cassman Brown 1973 E.A 358** as it has it is not a holder or registered owner of a patented invention, It simply, applied for registration as shown in the annexure SNG-2- 'Request for Registration of a Utility Model'. No certificate of grant of patent under Section 45 of the Industrial Property Act Cap 509 Laws of Kenya and Rule 29 of the Industrial Property Rules 2002 has been presented before this Honourable Court. Further, Paragraph 3 of the Plaint, which is the substratum of this case, is also predicated upon the falsehood, that, the Plaintiff is the registered patent owner. Sections 35 and 37 of the Copyright Act are not relevant to this suit and they have been cited out of fundamental misapprehension of the law. The application is therefore baseless and should be dismissed.

[4] The 2<sup>nd</sup> Defendant urged that the prayer for a permanent injunction cannot be allowed under the provisions of Order 40 of the Civil Procedure Rules 2010 which deals strictly with temporary injunctions and interlocutory orders. On a technical issue, both the verifying Affidavit sworn on 3<sup>rd</sup> July 2014 in support of the Plaint herein and the Supporting Affidavit are sworn by one Samuel Ngari Githinji purportedly on the authority from the Plaintiff to swear these Affidavits. No such authority has been provided as required by the provisions of Order 4 rule 1(2) & (4). In the absence of the said authority under Seal, the Supporting Affidavit is defective and it cannot be relied upon to support the Application, especially since the deponent thereto is not a Director of the Plaintiff.

[5] On the basis of the above, the 2<sup>nd</sup> Defendant submitted that there is no injury which the Applicant will suffer because it does not have any right in the so called invention which is capable of being transgressed. Even if by any stretch of judicial craft the Applicant were to sway the opinion of court to find that injury may occur, it could only possibly be monetary injury, which is compensable by an award of damages. In any case, the 2<sup>nd</sup> Defendant has extensively shown in his Replying Affidavit that indeed he is the owner of the invention. See Paragraph 11 thereof. The Plaintiff tried to acquire the skills and then pass them as its own and even instigated criminal process to harass the 2<sup>nd</sup> Defendant in Kisumu Chief Magistrate Criminal Case No.394 of 2014. The Plaintiff intends to register the invention and effectively deny the 2<sup>nd</sup> Defendant/Respondent the fruits of his intellectual innovation. The application should be dismissed with costs.

[6] The 1<sup>st</sup> Defendant also opposed the application for injunction and followed closely on the line of submissions taken by the 2<sup>nd</sup> Defendant. He stated that annexure "SNG 2" attached to the Supporting Affidavit is a copy of an application for a utility model certificate pursuant to Section 81 of the Industrial Property Act (Chapter 509 of the Laws of Kenya). It is not an application for a grant of patent. The Plaintiff has not exhibited any evidence that is has been granted a utility model certificate or a patent. Section 81 should be read with sections 30 and 31 of the Act. And Section 30(1) of the Act as read with Section 81 of the Act portends that "**Subject to this section, the right to a utility model certificate shall belong to the inventor**" And section 2, on interpretation, states that "**inventor means the person who actually devises the invention as defined in section 21 and includes the legal representative of the inventor**". Section 31 of the Act as read with section 81 of the Act should read as follows:

***"Where the applicant has obtained the essential elements of the invention which is the subject of this application from the invention of another person, he shall, unless authorized by the person who has the right to the utility model certificate or who owns the utility model certificate, be obliged to assign to such person the application or, where the utility model certificate has already been granted, the utility model certificate"***.

[7] From the facts presented before the court, the issue for determination by this Honourable Court is; who is the inventor, between the Plaintiff and the 2<sup>nd</sup> Defendant of "*The aquatic plant removal apparatus which includes a heavy duty marine net preferably made of carbon fiber. To the net are attached to a*

winch, the winch being mechanically driven by deriving its rotary power from a tractor, a lorry or electric motor". In view of the claims made by the parties on the invention, the dispute cannot be determined except in a trial through viva-voce and demonstrations of the invention. The Plaintiff does not own a patent or a utility model certificate. Section 54 of the Act as read with Section 81 of the Act provides for the rights of owner of patent or utility model certificate. Under the Act there is no provision for the rights of an applicant for a patent or utility model certificate. The Plaintiff has no rights capable of being enforced, safeguarded and or protected by this court or the tribunal pursuant to sections 55, 105 and 106 of the Act. Even if the Plaintiff had any rights capable of being enforced (which is denied), then a tribunal established under section 113 of Act would be the forum that would entertain any complaints by the Plaintiff. This court would not have jurisdiction to hear any such complaint in the first instance. This Honourable Court only has an appellate jurisdiction to hear an appeal from the decision of the Tribunal pursuant to section 115 of the Act. The Copyright Act does not apply to the facts of this case.

## THE DETERMINATION

[8] Several issues have arisen. But before I set out on the substantive matters, let me first determine the question of jurisdiction which has been raised by the 1<sup>st</sup> Defendant. A challenge to jurisdiction of the court is of fundamental preliminary significance because jurisdiction is *sine qua non* adjudication of any legal dispute by the court. It must, therefore, be determined in limine on the evidence before the court. Despite the fear that *Lilian "S" case* may be in comatose- at least from arguments from some commentators on the Supreme Court cases on election petitions- the sweetest canticle on jurisdiction in Lilian "S" case that "jurisdiction is everything" will remain the brutal truth. Similar sentiments were expressed in the case of **Dr Dedan Maina Warui vs. Chemibagmed Innovations Limited** that:-

***Before I look at the merits and the peculiar circumstances of this case, let me settle the question of this court's jurisdiction which is sine qua non adjudication of any judicial proceedings despite the debate now ranging within the scholarly, practitioner's as well as judicial circles that LILIAN 'S' CASE is in comatose. I do not think we should yet admit LILIAN 'S' CASE in terminal decline or conduct a coup de grace on the case despite certain pronouncements from the Highest Court in the land which have been given ominous interpretation.***

[9] The challenge is that, this court has no jurisdiction because under the sections 55, 105 and 106 of the Industrial Property Act, it is only the tribunal established under section 113 which has jurisdiction over the facts of this case. The court only has appellate jurisdiction over matters arising from the tribunal. But for clarity, I should quickly state that the Plaintiff has attempted to draw the Copyright Act into these proceedings but that Act does not apply on the facts of the case which are founded on the Industrial Property Act. The Industrial Property Act does and I will proceed on that basis. Section 113 of the Industrial Property Act, No. 3 of 2001 establishes the Industrial Property Tribunal, with powers of listening to appeals from decisions rendered by the Managing Director of the Kenya Industrial Property Institute (KIPI) and as well as to enforce the rights, obligations and reliefs in relation to infringements of patents or utility models or industrial design or licences under the Act. Section 106 of the aforesaid Act is the one on focus here. The section provides as follows;

**"106. On the request of the owner of the patent or registered utility model or industrial design, the Tribunal shall grant the following relief –**

- a. ***an injunction to prevent infringement where infringement is imminent or to prohibit the continuation of the infringement, once infringement has started;***
- b. ***damages; or***
- c. ***any other remedy provided for in law."***

[10] I make a reading of section 106 of the Industrial Property Act to be that an owner of the patent or registered utility model or industrial design or licence under the Act may request for relief from the Tribunal. It should be clear that the tribunal may grant, not only the reliefs listed in the section but any other remedy provided in law, except it should be appropriate to the claim under the Act. Doubtless, the Applicant herein does not have patent or certificate of utility model or industrial design yet. He is an

applicant for registration of a utility model under section 81 of the Act and Regulations 12 and 18 made thereunder. One may quickly jump into the conclusion that he is not an owner of patent or holder of certificate of utility model as to claim exclusive rights to the utility model which would entitle him the reliefs and protection under the Act or access to the tribunal. But as a court of law, I should avoid such impulsive reaction and make a little indent into the law. Under section 53 of the Act, an Applicant for registration of patent or utility model or industrial design has rights which includes right to be granted the patent, where the relevant requirements under this Act are fulfilled. I wish also to consider section 55 of the Industrial Property Act which provides as below:

### ***Enforcement of rights***

55 ***The owner of a patent shall have the right—***

(a) ***to obtain an injunction to restrain the performance or the likely performance, by any person without his authorization, of any of the acts referred to in [section 54](#); and***

(b) ***to claim damages from any person who, having knowledge of the patent, performed any of the acts referred to in [section 54](#), without the owner's authorization;***

(c) ***to claim compensation from any person who, without his authorization, performed any of the inventions, claimed in the published application, as if a patent had been granted for that invention:***

***Provided: that the said person, at the time of the performance of the act, had—***

- i. ***actual knowledge that the invention that he was using was the subject matter of a published application; or***
- ii. ***received written notice that the invention that he was using was the subject matter of a published application, such application being identified in the said notice by its serial number.***

[11] The relevant part is section 55(c) of the Act. By dint of section 82(1) of the Industrial Act, PART VII under which section 55(c) falls applies *mutatis mutandis* to registration of utility model. Section 55(c) gives the owner of the patent or utility model the right to:

(c) ***to claim compensation from any person who, without his authorization, performed any of the inventions, claimed in the published application, as if a patent had been granted for that invention:***

***Provided: that the said person, at the time of the performance of the act, had—***

- iii. ***actual knowledge that the invention that he was using was the subject matter of a published application; or***
- iv. ***received written notice that the invention that he was using was the subject matter of a published application, such application being identified in the said notice by its serial number.***

[12] Enforcement of the rights and remedies under section 53-56 of the Act is a preserve of the Industrial Tribunal established under the Act. Section 105 of the Act provides for acts of infringement for which the tribunal will grant relief under section 106 and they include the acts stated under section 54 of the Act. See what section 105 provides:

### ***Acts constituting infringement***

***Subject to sections 21(3)(e), 58, 61(6), 72, 73, 80(1C) and 86, any act specified in [section 54](#) or 92 and performed by a person other than the owner of the patent or of the registered utility model or industrial design without the owner's authorization, in relation to a product or a process falling within the scope of a validly granted patent or certificate of registration shall constitute an infringement.***

Also note that section 55 clearly refers to acts of infringement under section 54 as some of the acts of infringement which can be restrained by an injunction. Therefore, an injunction to restrain infringement of patent or utility model or industrial design is issued at first instance by the tribunal under section 106 of the Act. And therefore, as the Applicant is also the applicant for registration of utility model under the Act, I am persuaded to hold that the Tribunal will have statutory delegated jurisdiction over the claims which have been presented before court. Claims herein fall within section 55(c) of the Industrial Act. The language used in section 55(c) envisage a proceeding in the tribunal... ***to claim compensation from any person who, without his authorization, performed any of the inventions, claimed in the published application, as if a patent had been granted for that invention.*** And, I do not think section 55(c) intended the relief thereto to be canvassed or sought only after registration of the patent or certificate of utility model or industrial design. If that were the case, a defence would be raised that the claim was untenable for at the time the person had not been registered. I think, the law wanted to provide for remedy of protection to an invention of an applicant whose application has been published. The said section is a basis for an injunction to restrain a person who without authorization, performed any of the inventions, claimed in the published application as if a patent had been granted for that invention. I wish to see legislative intervention towards clarifying the section by providing some measure of protection to utility or design for which registration has been filed and accepted by the MD of the Institute. Section 19 of the Companies Act will provide some lead here; on written application being received, the name is reserved for sixty days pending registration of the company. However, such reservation should be subject to prior users of the invention or contemporaneous inventions. On the basis of the foregoing, I decline to exercise jurisdiction on the request for an injunction. Such request should be made to the Industrial Tribunal. It is so ordered. I make no order as to costs given the claims being advanced herein.

**Dated, signed and delivered in court at Nairobi this 25<sup>th</sup> day of November, 2014**

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**F. GIKONYO**

**JUDGE**