REPUBLIC OF KENYA

IN THE HIGH COURT OF KENYA

AT NAIROBI (MILIMANI COMMERCIAL COURTS COMMERCIAL AND TAX DIVISION)

CIVIL CASE 333 OF 2010

STRATEGIC INDUSTRIES LIMITED ……..……PLAINTIFF

VERSUS

STRATEGIC INDUSTRIES LIMITED.……..……..……DEFENDANT

RULING

The Notice of Motion for consideration is dated 18th May,2010 brought under Order XXX IX rules 1, 2 and 7 of the Civil Procedure Rules and Sections 3A and 63 (c) and (e) of the Civil Procedure Act. The Summons sought four prayers. Prayers 1 and 2 which were certification of urgency and Anton Piller order of injunction were granted on 20th May, 2010. What is left for my consideration are prayer Nos. 3 and 4 which are for prohibitory orders of injunction.

The Plaintiff contended in the supporting and supplementary Affidavits of Mahmoud Safffiden sworn on 18th May, 2010 and 13th March, 2012 respectively that it designs, manufactures, sells and markets and distributes hair wigs, braids, hair additions and similar products. It has been carrying such business since 2004 and that its products are packaged in various brand names including "MICHELLE" and "celebrity". That the said brand names are used exclusively in Kenya to identify the Plaintiff as the source of such goods and products. That "CELEBRITY" and "MICHELLE" are trade marks registered as such under class 26 (Schedule III) as Nos.52834 and 64559 effective 30th December, 2003 and 26th November, 2008 respectively. The Plaintiff is the assignee of the trade mark "CELEBRITY" from 3rd March, 2004 whilst it is the registered proprietor of the trademark "CELEBRITY" from 26th November, 2008.

It was contended by the Plaintiff that in or about October, 2009 it discovered that the Defendant was involved in the sale and distribution of hair weaves, hair extention, hair additions and similar products to the Plaintiff's trade marks "CELEBRITY" and "MICHELLE," that it carried to an investigation in the market and ascertained that the Defendant was indeed distributing and selling products containing the

names “CELEBRITY” and “MICHELLE”. The Plaintiff exhibited packaging material of the Defendants’ products which bore the names “CELEBRITY” and “MICHELLE” to buttress its contention. The Plaintiff further exhibited as Exhibits “MS9” pages of the Defendants website which showed a variety of hair products belonging to and advertised by the Defendant bearing the names “CELEBRITY WIGS” and “CELEBRITY WEAVES – MICHEELLE”. Finally, the Plaintiff contended that being the proprietors of the said trademarks, an injunction should issue to protect their infringement.

The Defendant filed a Replying Affidavit and Supplementary Affidavit sworn by Aashit Shah sworn on 28th May, 2010 and 20th March, 2012 respectively.

The Defendant denied the Plaintiff’s claim and contended that there was no evidence to show that the Plaintiff had been carrying business since 2004 in respect of goods bearing the brand name “MICHELLE” and “CELEBRITY”, that the brand name “MICHELLE” came into use during the 2007 United States of America Presidential Campaigns, that the Defendant had designed a hair weave style called “MICHELLE” in February 2008.

It was the Defendant’s contention that the name “MICHELLE” is not distinctive and the registration of the same as a trade mark offends the law on Trade Marks, that other than the Certificates of Registration of the trade marks “CELEBRITY” and “MICHELLE” there was no evidence of the bonafide usage of those trademarks. That the Defendant had incurred a huge expense in excess of over Kshs. 70 million in the designing, manufacturing, marketing, importing and distribution of its products, that the Defendants’ packaging material of its products as “CELEBRITY RANGE” are distinctive and they show the origin as SECRET STYLIST and were therefore not capable of deceiving or creating any confusion with those of the Plaintiff. The Defendant accused the Plaintiff of registering of over 150 trade marks to lock out competitors whilst it only uses less than 10% of such trademarks, that the Defendant had brought a counterclaim seeking the deregistration of the Trade Marks “CELEBRITY” and “MICHELLE”. Finally, the Defendant submitted that damages would be an adequate remedy and urged the court to dismiss the application.

I have considered the Affidavits and the written submissions on record.

This is an injunction application and the principles applicable are well settled. That the Applicant must establish a prima facie case with a probability of success, that if the injunction is not granted, the applicant might suffer irreparable injury that cannot be adequately compensated by an award of damages and finally that if the court is in doubt it will decide the matter on a balance of convenience.

As correctly submitted by counsel for the Plaintiff, prima facie case was defined by the Court of Appeal in the case of **Mrao Ltd –vs- First American Bank of Kenya Ltd & 2 others (2003) KLR 137 a**s a case in which on the material presented to the court, a tribunal properly directing itself will conclude that there exists a right which apparently has been infringed by the opposite party as to call for an explanation or rebuttal from the latter.

For this court therefore to determine whether the Applicant has established a prima facie case, it has to consider whether there is any right of the Plaintiff that has been infringed.

The plaintiff has produced as “MS1” and “MS2” a Certificate of Registration of Assignment dated 2nd April, 2008 and a Certificate of Registration of Trade mark dated 18th August 2009. The said certificates relate to the trade marks known as “CELEBRITY” and “MICHELLE” under registered class 26 as Nos.52834 and 64559, respectively. The said registrations are valid up to 2013 and 2018, respectively. At the date of this suit therefore they are still valid.

Section 7(1) of the Trade Marks Act Chapter 506 of the Laws of Kenya Provide:-

“(1) Subject to the provisions of this Section and of Sections 10 and 11, the registration (whether before or after 1st January, 1957) of a person in Part A of the register as the proprietor of a trade mark

if valid gives to that person the exclusive right to the use of the trade mark in relation to those goods or in connection with the provision of any services and without prejudice to the generality of the foregoing that right is infringed by any person who, not being the proprietor of the trade mark or a registered user thereof using by way of permitted use, uses a mark identical with or so nearly resembling it as to be likely to deceive or cause confusion in the cause of the trade or in connection with the provision of any services in respect of which it is registered, …….” (Emphasis mine)

Since the registration of the Plaintiff as the proprietor of the Trade marks “CELEBRITY” and “MICHELLE” under Part A of the Act is not disputed, the Plaintiff has in my view established its right to the exclusive use of the said trademarks. Has that right been infringed?

Under Section 7 of the said Act, it is an infringement of a trade mark if any other person uses a mark identical with or so nearly resembling a trademark so as likely to deceive or cause confusion.

I am alive to the fact that the registration of a trademark under Section 7 is not absolute in itself. There are exceptions which are set out in the very said Section 7 as well as in Sections 10 and 11 of the Act when a trade mark may not be taken to have been infringed.

The Defendant has not denied that it is trading with products in the names of “CELEBRITY” and “MICHELLE” emblosomed thereon. It however, contends that the registration of the trademark “CELEBRITY” was unlawful as CELEBRITY is a general common term which is not distinctive. In its view, it has never used the names “CELEBRITY” or “MICHELLE” on their own without the names “CELEBRITY RANGE” and “SECRET STYLIST”.

My view is whether the registrar of trade marks was wrong to register the trade marks “CELEBRITY” and “MICHELLE” without restrictions, once they were so registered, the right to their exclusive use in relation to the products they were so registered was bestowed upon the Plaintiff by law. That exclusive use can only be challenged as laid down by the law. Until the challenge is successful, any usage of the said trade marks or marks resembling them in relation to the products for which they were registered is in my view an infringement. If the Defendant was minded that the trade marks were wrongly registered, it should have taken action early enough to challenge the same. It can not engage in acts which amount to an infringement then allege that the registration was wrong as a defence.

Further, having seen the material used for packaging the Defendants products, which products are similar to those of the Plaintiff, I am satisfied that the Defendants marks or usage of the brand name “CELEBRITY” or “MICHELLE” is not only an infringement on the Plaintiff’s trademarks, but their usage is likely to deceive. I am alive to the fact that at this interlocutory stage I am not supposed to make any firm findings on the issue of the get up, resemblance or likelihood of deception but peremptorily, and for the application before me, I am satisfied that the Plaintiff has established a right which has been infringed upon which calls for a rebuttal by the Defendant.

Being of the view that the Plaintiff has established a prima facie case, I hold the view that I need not consider the other two principles in the **Giella –vs- Cassman Brown** case, that is the adequacy of damages and the balance of convenience. This is so in view of the fact that actions of the Defendant are in breach of a statutory provision that is Section 7 of the Trade Marks Act. Indeed Article 40(5) of the Constitution of Kenya, 2010, enjoin the state to support promote and protect intellectual property. On my part, I strongly hold the view that once a party establishes that his right has been infringed upon by another partly who is acting in breach of an express statutory provision, an injunction should issue without much ado. The issue of whether damages are an adequate remedy should not arise since courts exist to enforce the law. The Rule of law means the law be enforced equally without having to apply different standards for those capable of paying damages as opposed to the impecunious.

Be that as it may, I am satisfied that the Plaintiff has established that damages cannot be an adequate remedy, it has invested heavily in its intellectual property and no award of damages in my view, can compensate the Plaintiff if the infringement is not halted.

As to the balance of convenience, the same lies in protecting the Plaintiff's trade marks. No prejudice will be suffered by the Defendant in that it came to the trade latter in time as opposed to the Plaintiff. In my view, protecting and enforcing the law is more appealing than having to take into considerations of monetary losses which in any event can be recouped with time. The balance of convenience lies in allowing the injunction application.

I therefore allow the application dated 18th May, 2010 in terms of prayer Nos. 3 and 4 with costs to the Plaintiff.

DATED and delivered at Nairobi this 21st day of May, 2012

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A. MABEYA

JUDGE