



REPUBLIC OF KENYA
IN THE HIGH COURT OF KENYA
AT NAIROBI (MILIMANI COMMERCIAL COURTS)

Civil Case 443 of 2007

CHLORIDE EXIDE (K) LIMITED. 1ST PLAINTIFF

ASSOCIATED BATTERY MANUFACTURES LTD...2ND PLAINTIFF

VERSUS

ZAKAYO MUCHAI WAINAINA

T/A CHLORIDE EXIDE SOLAR. DEFENDANT

J U D G M E N T

The Plaintiffs in this suit, CHLORIDE EXIDE KENYA LIMITED and ASSOCIATED BATTERY MANUFACTURERS, the 1st and 2nd Plaintiffs respectively sued the Defendant, ZAKAYO MUCHAI WAINAINA trading as CHLORIDE EXIDE SOLAR, in a plaint filed on 29th August, 2007. The 2nd Plaintiff is described at paragraph 4 of the plaint as a limited liability company incorporated under the companies Act as the registered proprietor of Trade Mark No. 57835 registered under class 9 of the Trade Marks Act Cap 506, comprising the words CHLORIDE EXIDE SOLAR. It is also averred that at the material time, the Trade Mark has been used by the 1st Plaintiff as a brand name. The Plaintiffs aver that they had exclusive rights of use of the said Trade Mark. The Plaintiffs claim against the Defendant is that he illegally and without any just cause or colour of right, registered his business under that name of Kenya Exide Solar Supermarket on the 7th October 2005. The Plaintiffs aver that on 12th May, 2006 the Defendant change the name to Chloride Exide Solar, expressly or ostensibly to pass off the Plaintiff's products and services, to misrepresent himself as the Plaintiffs' Agent and/or to unlawfully and illegally sabotage the Plaintiffs businesses and operations. The particulars of the Defendant's illegality, fraud and deception are set out at paragraph 7 of the plaint in the following terms:

(a) *Registration of a mark identical to that of the Plaintiff in order to deceive/mislead and or cause confusion in the course of trade.*

- (b) *Purporting to trade under the name “CHLORIDE EXIDE SOLAR” without the Plaintiff’s license knowing that the said business had no connection in the course of trade to the Plaintiffs.*
- (c) *Threatening the Plaintiff’s distributors/agents to cease using the Plaintiff’s name and logo.*
- (d) *Passing off and/or intending to pass off his products as those of the plaintiffs.*
- (e) *Demanding/attempting to extort money from the Plaintiff to “cede” use of the name.*
- (f) *Purporting to “offer” to sell the said “business name” to the 1st Plaintiff.*
- (g) *Interfering with the operations of the plaintiffs’ business by harassing and threatening their dealers and distributors.*

The Plaintiffs aver that as a result of the Defendant’s acts they have been greatly injured the reputation, have suffered and continue to suffer loss and damages. The Plaintiffs aver further that the Defendant has infringed and continues to infringe upon their trademark unless stopped by the court. The Plaintiffs prays for judgment against the Defendant as follows:

- (a) *A permanent injunction restraining the defendant whether by himself, his servants and or agents otherwise howsoever from infringing or continuing to infringe the said Trademark reg. No. 57835 comprising the words CHLORIDE EXIDE SOLAR and or any variations/derivations thereof and or passing off the Plaintiff’s products services.*
- (b) *A Declaration that the 2nd Plaintiff is the rightful proprietor of the said Trademark No. 57835.*
- (c) *General Damages*
- (d) *Costs*
- (e) *Interests on (c) and (d) above.*
- (f) *Any such order or further relief as this honourable court may deem fit.*

A judgment in default of defence and memorandum of appearance was entered against the defendant on 15th April 2008. The case was then set down for formal proof and heard on 5th May 2008.

The Plaintiffs called a single witness in support of the case. I have considered the entire evidence adduced by the witness. I have also considered the submissions by Counsel.

The Plaintiffs did not file any list of issues for determination. I will therefore deal with issues, which in my view, arise out of the Plaintiffs’ pleading, the evidence it adduced by its sole witness and those arising out of the submissions by Counsel. The Plaintiffs’ claim lies within the Trademarks Act cap 506 Laws of Kenya. The Plaintiffs claim that there was passing off of its products and services by the Defendant when he changed his business name to Chloride Exide Solar, and registered a mark similar to the Plaintiffs, and thereby misrepresented himself as the Plaintiffs agent and or sabotaged the Plaintiffs businesses and operations. The particulars of the Defendant’s illegality, fraud and deception are given under paragraph 7 of the plaint.

The Plaintiffs has to show:

- 1) *The trademark No.57835 Chloride Exide Solar belonged to the 2nd Plaintiff as pleaded in paragraph 4 of the Plaint.*
- 2) *The trademark complained of so resembled the Plaintiffs trademark as to be deceptive.*

3) *The Defendant has passed off his goods or services to the public leading to or likely to lead to the public to believe that the goods and services offered by him are the goods and services of the Plaintiff.*

4) *The Plaintiff must also demonstrate, as pleaded in the plaint that the Defendant changed his business name to Chloride Exide Solar so as to misrepresent himself as the Plaintiffs agent and or unlawfully and illegally sabotage the Plaintiffs businesses and operations.*

Plaintiffs have relied on two cases; **Pharmaceutical Manufacturing Co. vs. Novelty Manufacturing Limited HCCC No. 746 of 1998**, and **Afrolite Industries Limited vs. Topen Industries Limited, HCCC No. 619 of 2000, KLR**, which are good. However on my own part, I quote from Court of Appeal cases which best brings out some of the principles and tests that a Court should apply in cases of this nature:

Regarding “get-up” generally, in **CLERK & LINDSEL on Torts 16th Edn.** page 1645 states:

“It is possible for the ‘get-up’ of goods – the shape, colour and decoration of the goods or the wrapping in which they are sold – to become well enough known as indicating the goods of a particular trader, for use of that get-up by others to amount to passing off. Except in the most flagrant cases, however, actions based on imitation of get-up alone have seldom succeeded.”

In **AKTIEBOLAGET JONKOPING VUKAN INDSTRICKSFA – BRIKSAKTIEBOLAG V. EAST AFRICA MATCH COMPANY LTD [1964] E.A 62, Sir Udo Udoma C. J** stated:-

“It is for the plaintiff company to prove that there is a resemblance between the two marks, and that such resemblance is deceptive. It is also well established principle of law that it is the duty of the judge to decide whether the trade mark complained of does so nearly resemble the registered trade mark as to be likely to deceive or cause confusion in the minds of the public. From that duty the judge cannot abdicate. That was the principle enunciated by Lord MACNAGHTEN in the House of Lords in Payton & Co. Ltd vs. Snelling Lampard & Co. Ltd(2) when he said [1901] A.C at p.311):

“I think as I have said before that a great deal of the evidence is absolutely irrelevant and I do not myself altogether approve of way in which the questions were put to the witnesses. They were put in the form of leading questions; and the witnesses were asked whether a person going into a shop as a customer would be likely to be deceived and they said they thought he would. But that is not a matter for the witnesses; it is for the judge. The judge, looking at the exhibits before him and also paying attention to the evidence adduced, must not surrender his own independent judgment to any witness.”

In **Reckit & Colman Properties Ltd vs. Borden In [1990]1WLR 491** the tests to be applied are:

“First (the plaintiff) must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with identifying “get up”. Secondly he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. Thirdly, he must demonstrate that he suffers or in aquia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant’s misrepresentation that the source of the defendant’s goods or services is the same as the source of those offered by the plaintiff.”

The Plaintiffs have produced a Certificate of Registration of Trademark No. 57834 indicating that the trademark Chloride Exide Solar, has been registered under class 9 of the Trademarks Act and that the proprietor of the Trademark is Associated Battery Manufactures (EA) Ltd., the 2nd Plaintiff in this suit. The effective date of registration is 9th August, 2005.

Section 7(1) of the Trademarks Act stipulates as follows:

“(1) Subject to the provision 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 the 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 course of trade or in connection with the provision of any services in respect of which it is registered, and in such manner as to render the use of the mark likely to-

(a) be taken either as being used as a trade mark;

(b) ...

(c) ...

(d) cause injury or prejudice to the proprietor or registered user of the trade mark.”

It is clear that under this provision of the law, the Registration of a Trademark confers the right to the proprietor to exclusively use the mark. To put it differently, Section 7(1) of the Act confers upon the 2nd Plaintiff the right to exclusive use of the trademark Chloride Exide Solar. Infringement of the trademark is a tort of strict liability. All the Plaintiffs need to prove is that the Defendant imitated their trademark in order to prove infringement.

The Plaintiffs produced a photocopy of the trademark so I can only describe it in the form it was presented in court in black and white. The trademark comprises the word ‘CHLORIDE’ lying above the word EXIDE both written in black and across to the right in white writing and double the font, the words Solar.

The sole Plaintiffs’ witness produced a heap of documents and correspondences exchanged between the Defendant. Among these documents was a letter from the Defendant, written to the Plaintiffs’ Advocate W. SWANYA & CO. ADVOCATES under reference: trade mark. It is dated 4th April 20008. It says as follows:

“As I salute you, I want to introduce you to a super LOGO of New Chloride Exide Solar.”

The letter ends by showing the logo which comprises the word ‘new’ and inside a rectangular kind of shape the words ‘EIE’ in black ink and word ‘SOLAR’ in white ink written below the three letters.

The Plaintiffs’ witness did not specifically identify the offending mark but since there is no other letter with any mark in them, I presume that the one I have identified above was the one complained of.

In order not to presume too much, I have considered the rest of the correspondences adduced by the Plaintiffs. They portray the Defendant as a confused man who kept changing his trade names on his letterheads and who used several names including the following:

Chloride Exide Solar

Chloride Exide Solar (Maua)

Kenya Exide Solar Supermarket

NEW chloride Exide Solar

Chloride Exide Solar (K) Ltd.

It is the duty of the court to decide whether the offending mark nearly resembles the Plaintiffs' mark as to deceive or cause confusion, in regard to the Plaintiffs' claim for get-up and passing off.

LORD MACNAGHTEN in the House of Lords in **Payton & Co. Limited vs. Snelling Lampard & Co. Limited [1901] AC** at page 311 observed as follows:

“ I think as I have said before that a great deal of the evidence is absolutely irrelevant and I do not myself altogether approve of way in which the questions were put to the witnesses. They were put in the form of leading questions; and the witnesses were asked whether a person going into a shop as a customer would be likely to be deceived and they said they thought he would. But that is not a matter for the witnesses; it is for the judge. The judge, looking at the exhibits before him and also paying attention to the evidence adduced, must not surrender his own independent judgment to any witness.”

The Plaintiffs have produced several correspondences to show that the Defendant has written letters to the Plaintiffs on letterheads bearing the 2nd Plaintiff's registered trademark Chloride Exide Solar. One of the letters annexed is dated 14th January, 2008 and is written to the Registrar-General, Nairobi. It seeks change of business name from Chloride Exide Solar to Chloride Exide Solar (Kenya), (Maua Depot). The letter was also sent to the Managing Director of the 1st Plaintiff, according to the Plaintiffs' one witness.

The Defendant states as follows in the handwritten part of the letter:

“POST OF SOLAR SALES REPRESENTATIVES

Hello, Guy Jack, I am waiting for a reply though the email above. Whether I am going to get the said post of Solar Sales Representatives in one of your depots.

Note that this request is valid before 28.01.08.”

The Plaintiffs' witness identified the name Guy Jack as that of the Managing Director of the 1st Plaintiff.

In yet another letter to the manager of the 1st Plaintiff from the Defendant dated 26.9.06 it reads as follows:

“RE: DEALERSHIP

Sir, I am approaching your company to provide me with a certificate of DEALERSHIP. I want to be selling only your products and will be situated in Meru North. Therefore, sir, can you kindly advice me to qualify as a DEALER in your Company.”

The last letter I wish to refer to is the Defendant's letter to the Managing Director of the 1st Plaintiff dated 2nd February, 2007. It is referenced opening of Chloride Exide Solar (K) Limited Maua Depot. It says as follows:

“As I said earlier, I will be selling only your products therefore sir due to my financial constraint I would like your company to facilitate the supply of the following products which I will be paying at the end of every month. Before I order for more

- 1. 026 Solar Ndiyo yenyewe***
- 2. 050 Solar (2 pcs)***
- 3. 067 Solar (2 pcs)***
- 4. 075 Solar (2 pcs)***

5. *100 Solar (2 pcs)*
6. *(NS40) 32AH (3 pcs)*
7. *035/12/NSR 35 AH (2 pcs)*
8. *(NS60) 45AH (2 pcs)*
9. *(NS70) 65AH (2 pcs)*
10. *(N70) 70 AH (2 pcs)”*

Having considered the evidence adduced by the Plaintiffs in support of the case, I do find that there is evidence to show that the Defendant infringed on the Plaintiffs' trademark by adopting the Plaintiffs' trade name, which is also its trade mark, in full.

As regards get-up and passing off, the evidence adduced falls short of establishing that the Defendant sold goods or produced any services to the public at all related to the Plaintiffs' business. The Plaintiffs' witness, **Njoroge**, did not say what kind of business the Plaintiffs are involved in. However, going by the Certificate of Registration of Trademark, the 2nd Plaintiff is involved in the business of sale of Solar batteries, charge controllers and inverters, solar panels, energy saving lights, solar refrigerators and freezers, solar water heating systems and wind generators. There is no evidence to show that the Defendant provided goods and or services of the nature provided by the Plaintiffs. Neither is there evidence to show that the Defendant deals with such goods and services. In fact the letters adduced by the Plaintiffs show that the Defendant was seeking to sell the Plaintiffs' goods either by appointment as an Agent or as a Dealer of the Plaintiffs. The Defendant also requested the Plaintiffs to supply their goods to him so that he could sell the Plaintiffs' products. There is no evidence that he had a business dealing with goods and or services resembling those of the Plaintiffs in this case. I am unable to find any evidence of imitation of the Plaintiffs' goods or services or of get-up or passing off of the Plaintiffs' goods, products and or services as those of the Defendant. The Plaintiffs did not therefore prove that part of their claim.

The Plaintiffs in their plaint aver that the Defendant misrepresented himself as an agent of the Plaintiffs in order to pass off his goods and or services as those of the Plaintiffs. Again, no evidence was adduced to establish the fact that the Defendant misrepresented himself as the Plaintiffs' agent to the public at any one time.

Regarding general damages for infringement, the Plaintiffs' Advocate did not address the court on this point. I have considered that the Plaintiffs have proved that the Defendant infringed on the 2nd Plaintiff's trademark. There was no evidence of pass off or get-up. In my view the Plaintiffs deserve only nominal damages for infringement which I assess at Kshs.30,000/-.

Having come to the conclusion I have of this case, I find for the Plaintiffs and enter judgment against the Defendant in the following terms:

- a) A permanent injunction be and is hereby issued restraining the Defendant whether by himself, his servants and or agents otherwise howsoever from infringing or continuing to infringe the Plaintiff's trademark registration No. 57835 comprising the words CHLORIDE EXIDE SOLAR and or any variations or derivations thereof.
- b) A declaration that the 2nd Plaintiff is the rightful proprietor of trademark No. 57835.
- c) The Defendant do pay to the plaintiff Kshs.30,000 in general damages for infringement of the Plaintiffs Trademark.
- d) The Plaintiff also gets costs of the suit.

e) The Plaintiff will also get interest on damages and interest at court rates from date of Judgment until payment in full.

Dated at Nairobi, this 13th day of June, 2008.

LESIIT, J.

JUDGE

Read, signed and delivered, in the presence of:

Mr. Otieno for the Plaintiff

LESIIT, J.

JUDGE