Safepak Limited v Dynaplas Limited (Civil Suit 359 of 2007)
[2024] KEHC 11861 (KLR) (Commercial and Tax) (4 October 2024) (Judgment)

Neutral citation: [2024] KEHC 11861 (KLR)

REPUBLIC OF KENYA

IN THE HIGH COURT AT NAIROBI (MILIMANI COMMERCIAL COURTS)

COMMERCIAL AND TAX

CIVIL SUIT 359 OF 2007

FG MUGAMBI, J

OCTOBER 4, 2024

BETWEEN

SAFEPAK LIMITED ..... PLAINTIFF

AND

DYNAPLAS LIMITED ..... DEFENDANT

JUDGMENT

Introduction and background

1. Vide a plaint dated 16/7/2007, the plaintiff instituted this suit against the defendant. The plaintiff contends that it was, at the material time, the registered proprietor of industrial design number 385 ("the design") being a design for a bottle and that the registration for the same was effective from 26/9/2003 for a period of five years.

2. The plaintiff stated that it had used the design to manufacture and sell the bottles mainly for the bottling and storage of ready to drink juice and consequently it had acquired substantial reputation and goodwill in the design of the bottle.

3. The plaintiff's claim was that the defendant infringed on its design since May 2007 by manufacturing and selling a bottle whose features, pattern and shape were substantially similar if not almost identical to its design. Based on the foregoing, the plaintiff prayed for judgment against the defendant as follows:

    i. An injunction restraining the defendant whether by itself, its directors, officers, employees, servants or agents or otherwise howsoever from infringing the plaintiff's industrial design number 35;

    ii. An injunction restraining the defendant whether by itself, its directors, officers, employees, servants or agents or otherwise howsoever from manufacturing, importing, distributing,

selling or offering for sale any bottles or other products which infringe the plaintiff's industrial design number 385;

iii. An order for:

(a) The delivery to the plaintiff of, or destruction on oath, of all the moulds and infringing products and of all bottles or other products within the defendant's possession, custody or power, which are manufactured as a result of an infringement of the plaintiff's designer number 385 and would otherwise offend against the provisions of the foregoing injunction;

b. The delivery of all documents relating to the manufacture, importation, purchase, distribution, selling or offering for sale of all the products falling within the provisions of paragraph (a) and (b) above.

iv. An order that the defendant discloses the names and addresses of all those by whom it has been supplied and to whom it has supplied products falling within the provisions of paragraphs (a) and (b) above, together with sales and details of quantities so supplied and the price thereof.

v. An enquiry as to damages or alternatively at the plaintiff's option, an account of profits made by the defendant as a result of the aforesaid infringement by the defendant and an order for payment of any sums found due together with interest thereon at court rates.

vi. Costs of this suit.

vii. Any other orders that this honourable court deems fit.

4. At the hearing the plaintiff called one witness, Catherine Wangari, its Sales and Administration team leader whose testimony is contained in a signed witness statement dated 6/6/2022.

5. In addition to corroborating the case as spelt out in the plaint, Ms Wangari testified that the novelty of its bottle lay in the impression of a funny clown's face on two sides of the bottle leading to a frill collar. It was her testimony that the defendant infringed on the plaintiff's registered design by manufacturing and selling a bottle who's features, pattern and shape were substantially similar to the plaintiff's registered design.

6. She testified that ever since the defendant's bottles appeared in the market, there had been a drop in the plaintiff's sales and if the defendant is not restrained from infringing from the plaintiff's design, the plaintiff will suffer irreparable harm and damage.

7. The defendant filed a statement of defence dated 14/1/2008. It contended that the bottle used by the defendant was specially designed without any reference whatsoever to the plaintiff's design and that it was designed to fit a specific need, subsequent to an order from the defendant's customer, Excel Chemicals Limited, who wanted a functional bottle targeting young children as its clientele.

8. The defendant asserted that the design was different and distinct to the one registered by the plaintiff for the following reasons:

i. The pupils of the clown in the defendant's bottle are diametrically different from that appearing in the plaintiff's.

ii. The waist of the bottle sharply differs from the plaintiff's and offers a good grip which is a novel and distinct difference between the two bottles. The better grip is not only provided by the slender bottle but also from the distinct grooves apparent on the defendant's bottle;

iii. The nose and the mouth of the clown of the defendant's design largely differ from that of the plaintiff's.

9. The defendant asserted further that due to the novelty of the design especially with regard to functionality and the distinctive eye appeal, it is capable of registration as a separate design. The defendant did not file a witness statement or documents as evidence in support of its defence.

10. In rebuttal to the statement of defence, the plaintiff lodged a reply to defence dated 28/1/2008. The plaintiff denies that the features in the defendant's bottle are functionally novel or distinct from its design. It further denies that the differences set out in the statement of defence are not substantial enough to differentiate the defendant's design from the plaintiff's.

Analysis and determination

11. The plaintiff filed written submissions dated 5/2/2024 while the defendant did not file any. I note that the defendant was served with mention and hearing notices but failed to participate in the suit other than by filing its statement of defence. I also note that the parties engaged in negotiations and even signed a settlement agreement to resolve this dispute. The settlement was partially adhered to as the defendant paid costs of Kshs.300,000/= to the plaintiff. The remainder of the terms were not satisfied which led to the continuation of this suit.

12. Having considered the pleadings, evidence and submissions on record, I believe the sole issue for determination is whether the plaintiff is entitled to the orders sought in the plaint.

13. This is a case of infringement of a registered industrial design. Industrial designs are protected under the *Industrial Property Act*. Section 84(1) of the Act defines an "industrial design" as the overall appearance of a product resulting from one or more visual features of the shape, configuration, pattern or ornamentation of a product. A product is referred to anything that is made by hand, tool or machine.

14. Industrial designs are registrable as intellectual property. Section 92 of the Act underscores the rights conferred upon the holder of a registered industrial design in the following words:

> "(1) ... the right to preclude third parties from performing any of the following registration acts in Kenya-
>
> a. reproducing the industrial design in the manufacture of a product;
>
> b. importing, offering for sale and selling a product reproducing the protected industrial design; or
>
> c. stocking of such a product for the purposes of offering it for sale or selling it.
>
> (2) The rights conferred by the registration of an industrial design shall extend only to acts done for industrial or commercial purposes and shall not extend to acts in respect of a product embodying the protected industrial design after the product has been lawfully imported or sold in Kenya.
>
> (3) The registered owner of an industrial design shall, in addition to any other rights, remedies or actions available to him, have the right to institute court proceedings against any person who infringes the industrial design by

performing, without his consent, any of the acts referred to in subsection (1) or who performs acts which make it likely that infringement will occur."

15. The plaintiff produced a certificate of registration and a copy of the registration in the Kenya Industrial Property Journal marked as "TS1" in their documents. The documents confirm the averment that the industrial design was registered for a period of 5 years from 26/9/2003 in the name of the plaintiff. This effectively means that at the time of the filing of this suit, the industrial design rights belonged to the plaintiff.

16. As to what would constitute infringement of an industrial design, the Oxford Handbook of Intellectual Property, (2018) OUP at page 716, posits that"

> " Courts will find infringement if, in the eye of an ordinary observer, giving such attention as a purchaser usually gives, and in light of the prior art, two designs are substantially the same, that is, the resemblance is such as to deceive such an observer, inducing him to purchase one supposing it to be the other. In assessing infringement, courts are instructed to consider similarities in the overall appearances of the accused and claimed designs; minor differences in particular ornamental features will not prevent a finding of infringement."

17. It is worth noting that the evidence of the plaintiff was not controverted by the defendant who only opted to file a statement of defence in this matter. The defendant's bottle design is produced as "TS 3" in the plaintiff's documents. I have compared the two designs side by side. It is evident that both bottles share several striking similarities, the most prominent being the overall impression of a clown figure.

18. The differences, such as the oval-shaped eyes on the defendant's bottle versus the star-shaped eyes on the plaintiff's, are minimal and ornamental. So too are the features of the two arm-like devices below the "waist" of the defendant's bottle as opposed to the plaintiff's design which includes a frill in the same area.

19. As stated previously, such minor variations do not preclude a finding of infringement. Both bottles are used in the context of children's beverages and therefore for competing products. It has been shown in evidence that the plaintiff's bottle is utilised to bottle a ready to drink juice known as "Starpop" while the defendant's infringing bottle was used to bottle a similar drink for children known as "Quencher Junior".

20. Given that both products target similar markets, I concur with the plaintiff that the defendant's design is likely to cause confusion among consumers, leading them to mistake one product for the other. This confusion, coupled with the substantial visual similarities, justifies a finding of industrial design infringement.

21. Having so found, the next issue for determination is the proper remedy for the plaintiffs. It is undisputed that the plaintiff's industrial design, registered on 26th September 2003, was valid for a period of five years and therefore expired on 26th September 2008. Consequently, the plaintiff no longer holds exclusive rights to the design as of today in 2024. However, the defendant's infringing actions during the period of the plaintiff's design protection must still be addressed.

Disposition

22. Accordingly, the court finds in favor of the plaintiff. The defendant is hereby directed to provide a full account of all profits earned from the infringing activities during the period of the plaintiff's design registration within 45 days of the date of this judgment. Upon submission of the account, the

defendant shall pay any sums found due to the plaintiff, along with interest calculated from the date of filing suit until the date of payment in full. The plaintiff shall also have the costs of this suit.

DATED, SIGNED AND DELIVERED IN NAIROBI THIS 4TH DAY OF OCTOBER 2024.

F. MUGAMBI

JUDGE