



Microtech Enterprises Limited v Sollatek Electronics (K) Limited (Commercial Case 120 of 2017) [2024] KEHC 15643 (KLR) (Commercial and Tax) (9 December 2024) (Judgment)

Neutral citation: [2024] KEHC 15643 (KLR)

**REPUBLIC OF KENYA
IN THE HIGH COURT AT NAIROBI (MILIMANI COMMERCIAL COURTS)
COMMERCIAL AND TAX
COMMERCIAL CASE 120 OF 2017
JWW MONG'ARE, J
DECEMBER 9, 2024**

BETWEEN

MICROTECH ENTERPRISES LIMITED PLAINTIFF

AND

SOLLATEK ELECTRONICS (K) LIMITED DEFENDANT

JUDGMENT

1. The Plaintiff (“Microtech”) is a dealer in electronic products and was on 17th November 2016 issued with a certificate of registration for the Trademark “MICROTECH” under Trademark No. 91841 Class 9 and 11 for Extension sockets and; Gas Pipes and burner and regulators, Hivolt & Refrigerator Guards and electric showers respectively. The Defendant (“Sollatek”) is in the business of offering solar-powered solutions as well as voltage surge protection and on 4th June 1996, it registered three Trademarks; Trademark No. 44387 in respect of “SOLLATEK HIVOLTGUARD”, Trademark No. 44386 in respect of “SOLLATEK FRIDGEGUARD” and Trademark No. 44388 in respect of “SOLLATEK”.
2. On or about 2016/2017 Microtech begun importing, distributing and putting up for sale voltage surge protection and ancillary equipment inter alia marked “Microtech FridgeGuard” and “Microtech HivoltGuard”. This prompted Sollatek to issue Microtech with Cease and Desist Letter dated 10th March 2017 as Sollatek claimed that Microtech was using its Trademarks or marks substantively resembling those of Sollatek. By a Plaint dated 20th March 2017 that was subsequently amended on 21st October 2020, Microtech filed the present suit claiming that the aforementioned letter by Sollatek had caused its products to be removed from various supermarkets and that this had caused Microtech huge losses.



3. Microtech thus seeks a determination that its fridge guards trademarked as “Microtech FridgeGuard” and hivolt guards trademarked “Microtech HivoltGuard” are distinct and do not infringe those of Sollatek’s fridge guards trademarked “Sollatek FridgeGuard” and hivolt guards trademarked “Sollatek HivoltGuard”. It further seeks a permanent injunction to restrain Sollatek from interfering with its operations in relation to the importation, distribution and sale of the fridge guards trademarked “Microtech FridgeGuard” and hivolt guards trademarked as “Microtech HivoltGuard”. Microtech also seeks an inquiry into the losses it has incurred as a result of the withdrawal of its fridge guards and hivolt guards from the various supermarkets caused by Sollatek’s complaint and it seeks judgment for immediate payment of these losses together with interest at court rates.
4. Sollatek responded to the suit by filing a defence and counterclaim. It claims that Microtech has actually been dealing in electronic products that infringe, violate and otherwise unlawfully make use of Sollatek’s registered Trademarks. That it has never authorised, neither by way of a license nor an assignment or consented to or acquiesced to the use and/or commercial exploitation of its registered Trademarks by Microtech or any Party howsoever. Sollatek states that its three Trademarks remain validly on the Kenya Industrial Property Register and that the same are not common words as suggested by Microtech but innovative and adapted words, marketed and used over time in association with the products offered by Sollatek. It states that the registrability and or otherwise of these innovative words as Trademarks is nonetheless an issue for determination by the Registrar of Trademarks, at first instance. In sum, Sollatek observes that the suit by Microtech is unmerited and a wanton abuse of judicial process especially in light of the admission that the impugned Trademarks are to date registered to Sollatek and further that Microtech has now resolved to lodge expungement proceedings, which proceedings upon determination will nonetheless not be applied retroactively.
5. In its counterclaim, Sollatek restates that Microtech’s marks are so identical with and so closely resembles its Trademarks, which similarity, is likely to and actually does cause deception and confusion on Sollatek’s present and prospective clients that the Microtech’s products are owned by and/or somewhat associated with the Sollatek. That the Nice Classification and the line of business/ industry in which the subject marks are in use are identical and/or similar, which resemblance gives rise to an increased likelihood and/or certainty of confusion among the relevant members of public. Sollatek states that significantly and tellingly so, the unauthorised and indeed unlawful use and incorporation of its validly registered three Trademarks, is within the same line of industry i.e. sale and distribution of power surge protectors, betraying any allegation of independent and genuine user by Microtech.
6. As such, Sollatek seeks the protection of its Trademarks by injuncting Microtech from using deceptively similar marks or any other mark, name or designation bearing a close resemblance to Sollatek’s trademarks or otherwise causing such goods to be passed off as the Sollatek’s goods. Sollatek also seeks an order for destruction of the alleged infringing products and delivery of such documents relating to their manufacture, importation, purchase, distribution or sale. It further seeks disclosure of those Microtech has supplied with the offending products and that an enquiry as to damages or an account of profits made by Microtech be provided and an order for payment of such sums be made together with interest at court rates.
7. When the matter was set down for hearing, Microtech called its director DHAVAL GANDHI as its witness (PW 1). He relied on his witness statement dated 23rd October 2020 and produced is List and Bundle of Documents dated 20th March 2017(PExhibit 1-4) which include; Microtech’s Certificate of Registration, Sollatek’s Certificate of Registration of Fridge Guard & Hivolt Guard, Microtech’s Application for Expungement filed with the Registrar and a Letter from Sichangi & Co. Advocates. Sollatek called its Chief Sales Officer(CSO) DEVLIN D’SOUZA(DW 1) who relied on his witness statement dated 15th March 2022 and produced the List and Bundle of Documents dated 12th April



2017(DExhibit 1-10). The documents include Sollatek’s Certificates in respect of its Trademarks, the Cease-and-Desist Letter dated 10th March 2017, Excerpts of Nice Classification for Classes 9 and 11, Search results from the Oxford Dictionary with regard to the words “sollatek”, “Fridge Guard” and Hivolt and; a Copy of Microtech’s write-up dubbed “Microtech Hivoltguard Operating instructions”. After the hearing the parties were directed to file written submissions which are on record. Since the evidence and the submissions mirror the positions of the parties I have already highlighted above, I will not rehash the same but make relevant references to them in my analysis and determination below.

Analysis and Determination

8. As these are civil proceedings, it should not be lost that the court’s determination is on a balance of probabilities and is guided by the principle that he who alleges must prove. Denning J., in *Miller v Minister Of Pensions* [1947]2 All ER 372 discussed the burden of proof and he stated as follows:

“That degree is well settled. It must carry a reasonable degree of probability, but not so high as is required in a criminal case. If the evidence is such that the tribunal can say: ‘we think it more probable than not’, the burden is discharged, but, if the probabilities are equal, it is not. Thus, proof on a balance or preponderance of probabilities means a win, however narrow. A draw is not enough. So, in any case in which the tribunal cannot decide one way or the other which evidence to accept, where both parties’ explanations are equally (un)convincing, the party bearing the burden of proof will lose, because the requisite standard will not have been attained.”

9. The aforementioned position has now been espoused by our superior courts and finds statutory comfort in sections 107 and 108 of the *Evidence Act*(Chapter 80 of the Laws of Kenya) which provide as follows:

107. Burden of proof.

- (1)) Whoever desires any court to give judgment as to any legal right or liability dependent on the existence of facts which he asserts must prove that those facts exist.
- (2) When a person is bound to prove the existence of any fact it is said that the burden of proof lies on that person.

108. Incidence of burden.

The burden of proof in a suit or proceeding lies on that person who would fail if no evidence at all were given on either side.

(Also see *Ignatius Makau Mutisya v Reuben Musyoki Muli* [2015] KECA 612 (KLR).

10. As stated in the introductory part, it is not in dispute that Microtech is the registered proprietor of the trademark “Microtech” whereas Sollatek is the registered proprietor of the trademarks “Sollatek”, “Sollatek FridgeGuard” and “Sollatek Hivolt Guard”. The effect of a registered trademark is set out in section 7(1) of the Trademarks Act (Chapter 506 of the Laws of Kenya) as follows:

7. Right given by registration in Part A, and infringement thereof

- (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 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) be taken in a case in which the use is upon the goods or in physical relation thereto or in an advertising circular or other advertisement issued to the public, as importing a reference to some person having the right either as proprietor or as licensee to use the trade mark or goods with which such a person is connected in the course of trade;
- (c) be taken in a case where the use is use at or near the place where the services are available for acceptance or performed or in an advertising circular or other advertisement issued to the public or any part thereof, as importing a reference to some person having the right either as proprietor or as licensee to use the trade mark or to services with the provision of which such a person as aforesaid is connected in the course of business;
- (d) cause injury or prejudice to the proprietor or licensee of the trade mark.

11. Thus, the aforementioned provision states that registration by a person as the proprietor of a trademark if valid gives to that person the “exclusive right to the use the trademark”. If any person, who not being the proprietor or registered user of the trademark, uses a mark which is identical to or so nearly similar as to be likely to deceive or cause confusion in the minds of consumers in the course of trade or in connection with the goods or services in question is said to have infringed that trademark. Microtech does not deny that it has been importing, distributing and selling its products marked as “microtech fridgeguard” and “microtech hivoltguard” and even though the names “fridgeguard” and “hivoltguard” are registered trademarks of Sollatek, Microtech argues that the same are not trademarks as standalones as they bear the name “Sollatek” at the beginning and thus the dominant trademark is “Sollatek”. However, I have gone through the said Certificates of Sollatek and I fail to find any suggestion that the trademarked names therein should be read and interpreted conjunctively. There is also no disclaimer or limitation that the trademarked words “fridgeguard” and “hivoltguard” cannot be used exclusively by themselves. Whereas Microtech also argued that the names “fridgeguard” and “hivoltguard” are generic names and that they should not be protected, Sollatek produced evidence (Exhibit 8 & 9) indicating that these names are not found in the Oxford dictionary which negates Sollatek’s argument that these are common or generic names. This also upsets Microtech’s argument that Sollatek does not own the trademarks “Hivoltguard” and “fridgeguard” as the same are registered in Sollatek’s name and are to be used exclusively by them.

12. It is therefore my finding that Sollatek is the registered proprietor of the trademarks “Sollatek”, “Hivolt Guard” and “Fridgeguard” and that it has exclusive rights to the use of these marks. On whether Microtech was infringing on these trademarks, as has been stated above and as has been admitted by Microtech itself, they have been importing, distributing and selling products bearing Sollatek’s trademarks “Hivoltguard” and “Fridgeguard”. Sollatek also produced evidence (DExhibit 10) that indicates that Microtech’s operating instructions make use of the word “Sollatek” which is Sollatek’s registered trademark. Microtech did not deny that its use of these trademarks was not authorized or licensed by Sollatek. It is therefore my finding that Microtech has been infringing on Sollatek’s trademarks as they have been suing the same without permission from Sollatek.



13. On whether Mictotech's use of Sollatek's trademarks are likely to deceive or cause, confusion in the course of the parties' trade, there was no dispute that both parties sell power surge protectors and products of an almost similar nature. I have no doubt that the use of Sollatek's trademarks by both parties will more likely than not cause confusion to members of the public as to whom the products belong to. Therefore, Sollatek is likely to be prejudiced by Microtech's continued use of Sollatek's trademarks. It is therefore my finding that Sollatek has been able to demonstrate that it is the registered proprietor of the trademarks "Sollatek Fridgeguard", "Sollatek Hivoltguard" and "Sollatek", that Microtech has been using the same trademarks in its products without the consent of Sollatek and that this has prejudiced Sollatek being that both parties sell similar products and that the continued use of Sollatek's trademarks by Microtech might cause confusion to members of the public as to the origin and ownership of the products. These demonstrations by Sollatek satisfy the court that Microtech has been infringing on Sollatek's trademarks and Sollatek has proved its action under section 7(1) of the Trademarks Act (see Landor LLC and Wpp Luxembourg Gamma Sarl v Wagude Lui t/a Landor & Associates, Landor and Associates Limited & Lui O Wagude [2019] KEHC 10749 (KLR)).
14. I therefore find merit in Sollatek's counterclaim. On the prayers sought therein, I am persuaded by the decision cited by Sollatek (Premier Food Industries Limited v Triclover Industries (K) Limited [2021] KEHC 9202 (KLR)) that an order for payment of general damages will be sufficient to assuage the inconvenience and losses incurred by Sollatek as a result of Microtech's unauthorized use of Sollatek's trademarks. I thus find that a sum of Kshs.5,000,000.00/= is a fair assessment of general damages considering that Microtech has been dealing in the offending products for just over 7 years. It also now obvious that Microtech's case is not merited and the same can only be dismissed.

Conclusion and Disposition

15. In the upshot, the court finds in favour of the Defendant/Counterclaimant and makes the following final and dispositive orders
- a. The Plaintiff's suit through the Amended Complaint dated 21st October 2020 is dismissed.
 - b. The Defendant's Counterclaim dated 12th April 2017 is allowed.
 - c. A Declaration be and is hereby made that the Plaintiff's Company's marks "MICROTECH HIVOLTGUARD" and "MICROTECH FRIDGEGUARD", infringes on the Defendant's Trademarks; on the ground of being identical with and/or so nearly resembling the Defendant's "SOLLATEK HIVOLTGUARD" and "SOLLATEK FRIDGEGUARD" Trademarks; on account of likely to deceive and indeed occasioning actual deception as well as causing confusion in the course of the trade of power surge protectors;
 - d. A Permanent Injunction be and is hereby issued restraining the Plaintiff either acting by itself, its directors, officers, servants, agents, employees, workmen or otherwise howsoever from producing, manufacturing, putting up for sale, selling, exporting, importing or in any other manner making available for sale or infringing in any way howsoever on the Defendant's "SOLLATEK", "SOLLATEK HIVOLTGUARD"; and "SOLLATEK FRIDGEGUARD" Trademarks, by using a deceptively similar marks or any other mark, name or designation bearing a close resemblance thereto namely "MICROTECH HIVOLTGUARD" and "MICROTECH FRIDGEGUARD" or otherwise causing such goods to be passed off as the Defendant's goods;
 - e. The Plaintiff shall within 60 days of the court's judgment deliver to the Defendant under Oath, for destruction all infringing power surge protectors and ancillary products



bearing deceptively similar marks “MICROTECH HIVOLTGUARD” and “MICROTECH FRIDGEGUARD”, or any other mark, name or designation bearing a close resemblance to the Defendant’s registered Trademarks within the Plaintiff’s possession, custody or power, which would otherwise offend against the provisions of the foregoing injunction.

- f. The Plaintiff shall within 60 days of the court’s judgment deliver to the Defendant under Oath, all documents relating to the manufacture, importation, purchase, distribution, selling or offering for sale of infringing power surge protectors and ancillary products - bearing deceptively similar marks “MICROTECH HIVOLTGUARD” and “MICROTECH FRIDGEGUARD”, or any other mark, name or designation bearing a close resemblance to the Defendant’s registered Trademarks within the Plaintiff’s possession, custody or power falling within orders
- (c) and (d).
- g. The Defendant is awarded general damages of Kshs. 5,000,000.00/= to be paid by the Plaintiff.
- h. Interest shall accrue on (g) above at court rates from the date of this judgment until payment in full.
- i. Costs of the suit and counterclaim are awarded to the Defendant.

It is so ordered.

DATED, SIGNED AND DELIVERED AT NAIROBI VIRTUALLY THIS 9 {^TH} DAY OF DECEMBER 2024

J. W. W. MONGARE

JUDGE

In the Presence of:-

Mr. Isaac Owuor for the Plaintiff.

Ms. Lusi for the Defendant/Counterclaimant.

Amos - Court assistant.

