



**Homegrown Milers Limited v Capwell Industries Limited (Civil Case E062 of 2020)
[2021] KEHC 183 (KLR) (Commercial and Tax) (4 November 2021) (Ruling)**

Neutral citation: [2021] KEHC 183 (KLR)

**REPUBLIC OF KENYA
IN THE HIGH COURT AT NAIROBI (MILIMANI COMMERCIAL COURTS)
COMMERCIAL AND TAX
CIVIL CASE E062 OF 2020
WA OKWANY, J
NOVEMBER 4, 2021**

BETWEEN

HOMEGROWN MILERS LIMITED APPLICANT

AND

CAPWELL INDUSTRIES LIMITED RESPONDENT

RULING

1. The Plaintiff/Applicant herein seeks the following orders through the application dated 2nd March 2020: -
 1. Spent
 2. Spent
 3. The Honourable Court be pleased to issue a permanent injunction restraining the defendant either by itself, employees, servants and agents from distributing, selling, offering for sale, advertising, marketing, stocking, or otherwise dealing with maize meal whatsoever under the brand name “Pamoja Maize meal” contained in packing with a similar get up, logo, colour scheme, trademark and pictorial representation to the plaintiffs pending the hearing and determination of the main suit.
 4. Costs of this application be awarded to the plaintiff.



2. The application is supported by the affidavit of George Kamau Wanyoike and is based on the following grounds; -
 1. The plaintiff is a company incorporated under the Companies Act carrying on the business of inter alia milling and wholesale of maize meal. Specifically, the plaintiff sells maize meal under the name “Pamoja Maize Meal” a registered mark on the register of trademarks; trademark No 89716, Class 30(fLOUR and preparations made from cereals). The effective date of registration being 28th October 2015 to 28th October 2025.
 2. It has come to the plaintiff’s knowledge that the defendant has infringed and continues to infringe the Plaintiff’s registered trademark and passing it off as the Plaintiff’s by distributing and offering for sale maize meal in a design and color scheme strikingly similar to the plaintiff’s thereby deceiving the plaintiff’s customers.
 3. The plaintiff has over a period of over five years cultivated goodwill amongst customers, gained a substantial market share and developed brand loyalty over its operations in the country.
 4. The continued infringement of the plaintiff’s trademark and passing off of the defendant’s products as the plaintiff is causing irreparable damage to the plaintiff’s goodwill, reputation and market connections. Further to the foregoing, the plaintiff’s product is sold at Kshs 1350 per bale whilst the Defendants product is being sold at kshs 1250 therefore eroding the plaintiff’s market due to underpricing.
 5. Further to the above and due to the sensitive nature of maize meal, the plaintiff is apprehensive that any substandard maize meal sold by the defendant may be mistaken to be that of the plaintiff and thus further destroying its market goodwill and share
 6. The Defendants packaging was deliberately adopted so as to cause confusion among reasonable consumers as to the plaintiff’s products. As a result of the Defendants conduct, the plaintiff has suffered and continues to suffer massive financial loss, irreparable harm to its good will and brand identity.
 7. It is in the interest of justice and fairness that the application be certified as urgent and be heard ex-parte to protect the plaintiff’s commercial interests.
3. The defendant opposed the application through the Grounds of Opposition dated 9th March 2020 and the replying affidavit sworn by its Regional Sales Manager Mr. Bramwel Wanyonyi Wambwa who states that while the defendant company was incorporated under the Companies Act on 15th February 1996, the plaintiff company was only recently incorporated on the 2nd September 2015. He adds that the defendant registered its product “Pamoja” as trademark number 57423 on 24th May 2005 effective until 24th May 2015 while the plaintiff’s trademark was registered a decade later on 28th October 2015. He further states that Pamoja Maize Meal brand and trade name belong to the defendant who has continuously produced and sold maize meal under the said name for over 15 years.
4. It is the defendant’s case that it is the plaintiff who has infringed its registered trademark and gained earnings therefrom by deceiving and confusing the defendant’s consumers into purchasing its products



at a much higher price thereby tarnishing the reputation and good image that the defendant has built over the years.

5. The application was canvassed by way of written submissions which I have considered. The main issue for determination is whether the plaintiff has made out a case for the granting of the orders sought.
6. The conditions for the granting of orders of injunction were well explained in the case of *Giella vs Cassman Brown & Co. Ltd (1973) E.A* wherein it was held that: -

“The conditions for the grant of an interlocutory injunction are ...well settled in East Africa. First, an applicant must show a prima facie case with a probability of success. Secondly, an interlocutory injunction will not normally be granted unless the applicant might otherwise suffer irreparable injury, which would not adequately be compensated by an award of damages. Thirdly, if the court is in doubt, it will decide an application on the balance of convenience.”

7. In *Nguruman Limited vs Jan Bonde Nielsen & 2 Others, CA No. 77 of 2012*, the court discussed the 3 conditions for granting orders of injunction as follows: -

“In an interlocutory injunction application, the applicant has to satisfy the triple requirements to;

- (a) establish his case only at a prima facie level,
- (b) demonstrate irreparable injury if a temporary injunction is not granted, and

8. In *Nguruman Limited vs Jan Bonde Nielsen & 2 Others, CA No. 77 of 2012*, the court discussed the 3 conditions for granting orders of injunction as follows: -

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- (c) ally any doubts as to (b) by showing that the balance of convenience is in his favour.

These are the three pillars on which rests the foundation of any order of injunction, interlocutory or permanent. It is established that all the above three conditions and stages are to be applied as separate, distinct and logical hurdles which the applicant is expected to surmount sequentially. See *Kenya Commercial Finance Co. Ltd V. Afraba Education Society [2001] Vol. 1 EA 86*. If the applicant establishes a prima facie case that alone is not sufficient basis to grant an interlocutory injunction, the court must further be satisfied that the injury the respondent will suffer, in the event the injunction is not granted, will be irreparable. In other words, if damages recoverable in law is an adequate remedy and the respondent is capable of paying, no interlocutory order of injunction should normally be granted, however strong the applicant’s claim may appear at that stage. If prima facie case is not established, then irreparable injury and balance of convenience need no consideration. The existence of a prima facie case does not permit “leap-frogging” by the applicant to injunction directly without crossing the other hurdles in between.” (Emphasis added).



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9. What amounts to a prima facie case was discussed in *Mrao Ltd vs First American Bank of Kenya Ltd & 2 Others [2003] KLR 125*, as follows: -

"...So what is a prima facie case? I would say that in civil cases it is a case in which on the material presented to the court a tribunal properly directing itself will conclude that there exists a right which has apparently been infringed by the opposite party as to call for an explanation or rebuttal from the latter...a prima facie case is more than an arguable case. It is not sufficient to raise issues. The evidence must show an infringement of a right, and the probability of the applicant's case upon trial. That is clearly a standard which is higher than an arguable case."

10. I will now turn to consider the applicant's case with a view to establishing if it fulfils the conditions set out in the above cited case. The applicant contended that it registered its trademark "Pamoja Maize Meal" on 28th October 2015 for a period of 5 years that is set to expire on 28th October 2025. The applicant claimed that the defendant had infringed on its trademark and was passing off it off by distributing and offering for sale maize meal in a design and colour scheme similar to the applicant thus deceiving the plaintiff's customers.
11. In a rejoinder, the respondent submitted that it first registered its "Pamoja Maize Meal" brand as its trademark with the Registrar of Trademarks on 24th May 2005 for a period of ten years that expired on 24th May 2015 after which it sought a renewal for a further 10 years set to expire in the year 2025. The respondent's case was that since it was the first to obtain registration of the trademark "Pamoja Maize Meal" in the year 2005 it had the exclusive right and use of the trademark.
12. Section 7 (1) of the *Trademarks Act* stipulates as follows: -

"Subject to the provisions of this section, and of sections 10 and 11, the registration (whether before 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 likely 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;

13. A perusal of the record indicates that there are two trademarks registered with respect to Pamoja Maize Meal. The plaintiff's trademark registration number 89716 is effective from 28th October 2015 to 28th October 2025 while the defendant's trademark No 57423 expires on 24th May 2025. In effect both parties herein have demonstrated that they registered the trademark that is the subject of this suit. This being the case, the court cannot hold that the trademark of one party is superior to the other before hearing the merits of the suit. If anything, and without prejudice to the outcome of the main suit, one can say that the trademark that was registered earlier should take precedence over the subsequent one. I therefore find that the applicant has not established that it has a prima facie case against the defendant so as to warrant the granting of the injunctive orders sought.
14. Having found that a prima facie case has not been established, I do not find it necessary to belabor or consider the remaining conditions for the granting of orders of injunction as the law is very clear that all the 3 conditions have to be proved for such an order to be granted.
15. For the above reasons, I find that the application is not merited and I therefore dismiss it with orders that costs shall abide the outcome of the main suit.

DATED, SIGNED AND DELIVERED VIA MICROSOFT TEAMS AT NAIROBI THIS 4TH DAY OF NOVEMBER 2021 IN VIEW OF THE DECLARATION OF MEASURES RESTRICTING COURT OPERATIONS DUE TO COVID-19 PANDEMIC AND IN LIGHT OF THE DIRECTIONS ISSUED BY HIS LORDSHIP, THE CHIEF JUSTICE ON THE 17TH APRIL 2020.

W. A. OKWANY

JUDGE

In the presence of:

Ms Shah for the Defendant.

No appearance for Plaintiff.

Court Assistant: Margaret

