



**REPUBLIC OF KENYA**

**IN THE HIGH COURT OF KENYA**

**AT MOMBASA**

**CIVIL APPEAL NO. 251 OF 2017**

**CONSOLIDATED WITH 252 & 253 OF 2017**

**DOSHI IRONMONGERS LIMITED.....APPELLANT**

**VERSUS**

**THERMOS HONGKONG LIMITED.....RESPONDENT**

**J U D G M E N T**

1. The dispute giving rise to these three appeals was over the application by the Appellant to be registered as the registered owner of Trade mark [THERMOS] (word). The Application was dated 12/7/2006. After an initial rejection, on the basis that it was identical to a registered Trade Mark No. 17003 belonging to THERMOS LTD, the application was subsequently approved after the Trade Mark No. 17003 was removed from the Register due to non-renewal by the registered owner. In terms of the law the removal was published in the Industrial Property Journal of 31/5/2009 and the approval itself published in the same journal on 30/11/2010.
2. Upon the publication, the respondent then made a request for the restoration of the mark to the register on the basis that it had been assigned to THERMOS KK who subsequently assigned and transferred it to the respondent and that the statutory notices leading to the removal had been misaddressed and were thus invalid and the removal a nullity.
3. Upon the request, the registrar restored the name of the respondent as the registered proprietor of the mark on the basis that the renewal notices had not been sent to the registered proprietor. That was on the 11/01/2011. Armed with the new found footing of being the registered proprietor, the respondent then lodged a Notice of Objection to the appellant's application for registration and prayed that the same be refused. That notice of opposition was itself opposed by the Appellant by a counter-statement urging the rejection of the notice of opposition. It is the determination of the Notice of opposition which aggrieved the appellant and provoked this appeal in which the appellant seeks orders that:-

**“5. This appeal be and hereby allowed and the decision and ruling of the Assistant Registrar of Trade Marks, Elvine Apiyo, delivered on 24<sup>th</sup> October 2017 in THE MATTER OF T.M.A. NO. 59464 “THERMOS” (WORD) IN CLASS 21 IN THE NAME OF DOSHI IRON MONGERS LIMITED AND OPPOSITION THERETO BY THERMOS HONG KONG LIMITED be and is hereby set aside in its entirety.**

**6. All consequential proceedings emanating from the ruling delivered by the Assistant Registrar of Trade Marks, Elvine Apiyo, on 24<sup>th</sup> October 2017 THE MATTER OF T.M.A. NO. 59464 “THERMOS” (WORD) IN CLASS 21 IN THE NAME OF DOSHI IRON MONGERS LIMITED AND OPPOSITION THERETO BY THERMOS HONG KONG LIMITED be and is hereby stayed permanently.**

**7. There be and is hereby issued an order of permanent injunction to restrain the Respondent, its agents, employees, assigns or any other person acting on the Respondent's behalf from using, dealing in and/or trading in Trade Mark Number 17003 known as “Thermos” in Class 21.**

**8. The Certificate of Registration of Assignment and the Certificate of Renewal of Trade Mark Number 17003 known as “Thermos” in Class 21 issued in favour of the Respondent, THERMOS HONG KONG LIMITED be and are hereby revoked forthwith.**

**9. There be and is hereby issued an order to compel the Registrar of Trade Marks to issue to the Appellant a Certificate of Registration of Trade Mark Number 17003 known as “THERMOS” in Class 21 pursuant to the Appellant's application No. KE/T/2006/0059464”.**

4. The grounds of the appeal advanced are four and fashioned that the Assistant Registrar erred in:-

- i. Failing to appreciate that the Respondent had no locus standi to lodge the opposition because it was not the registered owner of the trite mark and could not be.
- ii. In upholding her decision to restore the respondent as the registered proprietor of the mark the Registrar failed to appreciate the law and thus erred in that a restoration is only available to the person who was the registered proprietor on the date of removal.
- iii. The counter statement was never considered by the Assistant Registrar and thus the Appellant was denied the right to be heard on the false basis that restoration was an administrative process which required no hearing of the Appellant. Contrary to the decision and holding in Misc. Appl. No. 19 of 2011 (JR) REPUBLIC VS REGISTRAR OF TRIATE MARKS, EXPARTE DOSHI IRON MONGERS LTD.
- iv. There was an error of law on the part of the Assistant Registrar by making a decision tantamount to sitting on appeal one the decision of the Registrar in the letter dated 28/8/2009 was a refusal to restore and did not give room for a revisit.

5. Having been brought pursuant to Sections 21(6), 51 and 52 of the Trade Mark Act as well as Rule 117, the Notice of Motion was supported by the Affidavit of one ASHOK LABAHSHANKER DOSHI which reiterated and elaborated on the grounds and exhibited documents to support the assertions. The documents included the papers filed to argue the Notice of objection and counter statement and various correspondence exchange and the decision by Francis Tuiyot J in the Misc. Application No. 19 of 2011 (JR). The proceedings and determination by the Assistant Registrar were equally exhibited.

6. For the respondent two Replying Affidavits were filed sworn by ALEX HWANG the Chairman of the Respondent and another by Esther Kinjenje-Opiyo, the counsel for the Respondent. The gist of the opposition to the appeal was that the trade mark THERMOS is currently registered in Kenya under six certificates with the respondent as the registered proprietor hence the Appellant being no registered owner cannot maintain an infringement suit and cannot seek and be granted an injunction pursuant to Section 5 & 7 of the Trademarks Act which given to the respondent the exclusive use of the marks as registered. It was additionally contended that the notice leading to removal was invalid null and void and thus all acts undertaken on its strength including the removal were equally invalid and that the ruling of 28/8/2009 could not sanitize nor override the invalidity in the process.

7. It was then asserted that the impugned ruling merely corrected a fundamental error of sending an invalid notice and that the restoration was validly and legally done. The contention as to the Locus standi of the respondent to lodge the Notice of opposition was said to be of no consequence because the issues regarding alleged winding up of Thermos Ltd was subject of the UK Law with no relevance to this matter as the restoration was validly done and relevant renewal and assignment certificates issued. On the challenge on the renewal of the trademarks it was submitted that the same was time barred because the law dictates that an appeal to the high court be made within 60 days from the date of the decision which 11<sup>th</sup> & 14<sup>th</sup> January 2011.

8. A reiteration was made that, as the owner of the mark the respondent had all the right to pursue the notice and oppose the Application No. 59464 by the Appellant just as he had the rights to seek the extension of period for the opposition and that the determination by the Assistant Registrar was solid and unassailable because the name sought be registered was visually and phonetically identical to the respondent trade mark and if registered would not only confuse but also be a tool for passing-off goods bearing the mark. The determination was hailed as sound and in line with Rules 64 and 70 of the Kenya Trade Mark Rules and was indeed upheld by the High Court in Misc. No. 19 of 2011 it being underscored that Section 14 of the Act Prohibit the registrar from registering any new trade mark that is likely to cause confusion or deception in the market.

9. The certificates of use in legal proceedings respecting the Trade marks were exhibited together with registrar's ruling dated 11/1/2011 and letters by the respondents counsel dated 8/11/2010 as well as that by the registrar dated 14/01/2011. The Affidavit of counsel, Ms. Esther Kinyenje-Opiyo on its part contended that the appellant had failed to produce and avail to court the complete record of pleadings filed before the registrar and leading to the determination and therefore sought to remedy the default by exhibiting a document marked **EWK** being a copy of the first declaration and its exhibits. The entire purpose of that Affidavit was to avail the said documents to be put on the record of this court.

10. After the court concluded the interlocutory application regarding place of hearing the parties filed submission as well as supplementary submission as follows:-

- The appellant filed submissions dated 16/10/2018 and supplementary ones dated 29/7/2019.
- The respondent's submissions are dated 7/12/2018 with supplementary ones dated 12/6/2019.

11. A reading of the Affidavit filed, the decision by the Assistant registrar and submissions filed reveal that the issues the parties desire to be determined are as follows:-

- a. Whether the Respondent had the requisite locus standi to lodge the notice of opposition dated the 17/03/2017?
- b. Whether the restoration of the trade mark disclose an error of fact or law.
- c. Whether the appeal was time barred?
- d. Whether in failing to consider the appellants counter statement there was denial of the right to be heard?

e. Whether in deciding the dispute as she did the Assistant Registrar sat on appeal over the decision of the Registrar.

12. This is indeed a first appeal and the court is obligated comprehensively re-examined the entire record of the proceedings with a view to coming to own determination based on the facts as applied to the law. On the issues isolated, I do consider issues **no. a, c and d** to challenge the propriety of the decision, not necessarily on the merits while ground (b) is on real merits based on the facts.

13. I will thus start with the issues of competence of the decision regarding locus standi, lack of jurisdiction on the Assistant Registrar and the right to be heard in that order.

#### **Was the respondent clothed with locus standi to lodge and prosecute the Notice of Objection**

14. On this ground the appellant contends that the respondent lacked the requisite locus standi to object to its application for registration because the respondent was not the registered owner. The contention is that the name of the respondent was irregularly entered into the register contrary to the law under the Trade Marks Act.

15. To the appellant the two deeds of assignment dated 21/01/2002 and 25/10/2002, assigning the trade mark from THERMOS KK by thermos KK to the respondent could not anchor the respondent's ownership because of being invalid for failure to comply with the law under Section 25(7), 28 and Rule 71. According to the Appellant, those provisions demands that an assignment be advertised within six (6) months in as much as the assignment was never registered as required by the law.

16. It was equally submitted that by the date the deed of assignment from thermos limited to Thermos KK was executed, thermos ltd had been wound up on 21/12/2001. It was contended that a wound up company had no existence nor capacity to execute the deed of assignment. In any event it is asserted that by the time thermos KK allegedly assigned its title to the respondent it was not the registered owner of the mark and had no capacity under Section 27 of the Act to purport to assign.

17. It was then added that only a registered trade mark and not an expired one could be assigned after the same was removed from the register. Moreover it was contended that the two deeds were lodge and payment of stamp duty effected simultaneously hence there was no compliance with the law because only a registered trade mark owner can assign. There having been no advertisement of both deeds no title was passed to the respondent.

18. On this point, the respondent opposed the appeal by reliance upon Section 21(2) of the Act which afford to any person the right to lodge an objection. In any event the respondent contended, and submitted that the validity of the opposition was determined by the High Court in Miscellaneous Application No. 19 of 2011 (JR). It was additionally contended that the issue of locus standi has been raised for the first time an appeal and irregularly.

19. By way of a rejoinder the appellant submitted that the issue of locus standi was indeed raised in the notice of motion in Ground A and urged at paragraph 12(a) to (g) and was thus not new. In addition the appellant took the position that, the law, citing the decision in **Ann Cherop Koech vs Charles Langat, [2018] eKLR** an issue of law can be raised at any time even on appeal. In any event, the appellant argued, only the opponent and the registrar are not allowed to raise new issues on appeal under Section 21(a) of the Act.

20. The answer to this ground of appeal even though the parties have made very elaborate and extensive submissions is not a difficult one. It is not difficult because in law there is the doctrine or res judicata which mandates that no court of law can seek to adjudicate a matter that has been the subject of adjudication between the same parties by a court of competent jurisdiction.

21. In this matter, the propriety or competence of the notice of opposition was at the core and centre of the determination by Judge Tuiyot. He considered the point at length and determined in his determination of 5/10/2012 in **JR No. 19 of 2011**, that there was a valid opposition filed. The judge said:-

**“Ultimately the restoration decision is unchallenged and intact and there is a valid opposition lodged to Doshi's application. The stage is now set for the remainder of the opposition proceedings. This court cannot stop the respondent from carrying out its statutory duties. The respondent is obliged in law to process the opposition”.**

22. The judge of a competent and concurrent jurisdiction having so delivered himself and his decision having not been challenged on appeal, I do find that I am prohibited by Section 7 of Civil Procedure Act for purporting to revisit the issue. In addition Section 21(2) of the Act allows 'any person' to give notice to the registrar of opposition to registration. That ground lacks merits and is dismissed.

#### **Was the appellant accorded the right to be heard?**

23. On this point the appellant asserts that its counter statement was never considered hence it was denied a right to be heard. In resisting this ground of appeal, the respondent took the position taken by the registrar in its decision that the process of restoration is wholly different and divorced from that of application for registration.

24. That position is difficult to understand coming from the registrar whose mandate is to apply the provisions of the trade marks Act. Under Section 44 of the Act make it mandatory that the registrar does not exercise his discretion in an adverse manner to the applicant or registered owner without according them the right to be heard. It matters not that the decision he is to take does not amount to proceedings. It is enough that the decision to be reached has the prospects of adversely affecting a party. In the this case the Appellant had a pending applicants for registration over the same mark when the restoration process was initiated and concluded. He was a person who was exposed to be affected and was indeed affected in that the decision to restore the trade mark effectively thwarted his application and rendered it a still birth.

25. It is not difficult to see that there was a clear and glaring denial of the right to be heard. That was a fundamental breach to the law under the Act and surely cannot be left to stand. More importantly is the fact that the registrar whom exercising his jurisdiction or discretion in terms of Section 44, is a tribunal inferior to the High Court and is bound by the directions or orders of the court. That is why his decisions are amenable to judicial review and even appeals.

26. After the proceedings were stayed pursuant to the Orders given in JR No. 19 of 2011, the final determination paved the way for the registrar to proceed with his mandate. That same decision paving way for the conclusion of the opposition to registration did address this ground of appeal when the judge said the Appellant was entitled to be heard. It was thus not expected for the Registrar to ignore a pronouncement by the Judge. The judge in JR 19 of 2011 was explicit when he said at page 17 that:-

**“This Court is unable to accept the argument by the Respondent that Doshi had no right to participate or be informed of THKL’S request for restoration. It would only seem fair for Doshi to be at least informed of the request for restoration because a decision to accept it would certainly have an implication on its pending application. But what is to be done in these circumstances?”.**

27. It is to be noted that the respondent was the respondent in the matter and participated fully hence cannot be taken not to have been aware of the determination over the question of the right to be heard. I therefore do find the holding that the Appellant had no right to be heard at the restoration proceedings to have been a violation of the principles of natural justice and contrary to a court order for which reason the decision cannot stand and is hereby set aside.

**Did the assistant Registrar revisit a decision earlier made by the Registrar and thus purported to sit on appeal over the same**

28. According to the Appellant, the decision of the Assistant registrar appealed from amounted to sitting on appeal and upsetting the decision of the Registrar contained in the letter of 28/08/2009 by which the restoration of the trademark was refused.

28. The respondent’s position however is that the registrar was not *functus officio* after refusing registration because rules 67 and 68 allows him the power to restore a removed trademark into the register. It was then contended that decision had not been validly challenged as held by the High Court in JR No. 19 of 2011 had upheld it and that in any event the notices giving rise to the removal were sent to a wrong address and were therefore invalid null and void *ab initio*.

29. Even with such submissions both counsel did so little to address the point whether a determination by a registrar is immune to revisit even under Rules 68 and 70 of the Trade Mark Rules. My view of this ground of appeal is that the law provides at Section 3(5) and 44 that any act or thing directed to be done by the Registrar can be done by an Assistant Registrar and that there is a wide latitude, the statement calls discretion, to do anything provided by the Act or Rules. I do find that there is a power vested upon the registrar under Rule 68 and 70 to restore a removed trade mark after removal provided that he deems it just to do so and purposed to further that the restoration is advertised in the journal or Kenya gazette.

30. I do find that the power to remove has been mitigated with the power to restore provided the discretion is exercised upon reasons and in accordance with the notions of fairness and justice including observance of the Rules of Natural justice. To the extent that the registrar exercised powers conferred by Sections 3(5) 44 and Rules 68 and 70 of the Act, I note that he dealt with a matter which had been dealt with before by the registrar the question however is whether Rules 68 of the Rules anticipate a review or revisit of a decision by the registrar. In my view, the Rule permit consideration of an application to restore but does not include the right of power to review or reconsider a matter once considered and dealt with. I therefore find that once a registrar makes a decision he becomes *functus officio* and the matter leaves his docket and remains for the court to review under Section 51 or on appeal under Section 52 of the Act.

31. To this court the doctrine of *functus officio* serve the purpose of making a decision by a court or tribunal final. It is intended to serve the need that dispute resolution or litigation is brought a close. The power to review own decision must be donated by the law granting jurisdiction for it to be exercised and does not exist all the time and in every situation. My reading of the Act creating the office and donating powers to the registrar does not give it the power to review or revisit own orders outside Rule 68 which I hold provides that the last act is to consider restoration without the power to revisit an order declining restoration.

31. The doctrine of *functus officio* generally dictate that a person or body vested with adjudicature or decision making powers, may exercise those powers only once in relation to the same matter. A decision once given should be final and conclusive. The doctrine however does not prevent the court from correcting clerical errors but a decision on the merits can only be challenged by way of an appeal<sup>[1]</sup>.

32. While a civil court is entitled to take other proceedings like execution and post judgment applications, such is grounded on express powers of the law say review under Section 80 and correction of errors under Section 99. Strictly speaking however a court once it delivers itself on the merits is not expected to reopen the same matter and start all over again.

33. In **Telcom Kenya Ltd vs John Ochanda**, the Court of Appeal rendered itself in the following words:-

**“The doctrine is not to be understood to bar any engagement by a court with a case that it has already decided or pronounce itself on. What it does bar is merit based decisional re-engagement with the case once a final judgment has been entered and a decree thereon issued”.**

34. Put in the context of this matter the Registrar, Prof. James Otieno- Odek, did consider an application for restoration of TMA 17003 and made a merit based decision by a letter of 28/8/2009. Once that was done and before it was set aside by way of review or appeal, by the court, it could never be reviewed by the same registration or his assistant.

35. I think the powers of the register, exercisable by both him and his assistant(s), presents the best rationale for the application of the doctrine of *functus officio*. When you have a registrar and several assistants, and a practice for free for all in intervention in decisions is adopted, one may imagine the kind of confusion that would ensue. Such a practice would invite perception of impropriety that would not serve to imbue confidence in the office of the Registrar of Trade marks. The adjudication power of the office need to be protected by it being laid that there is no jurisdiction for a registrar to revisit a merit based decision on restoration.

36. The foregoing lead me to find that there was no jurisdiction upon the Assistant Registrar to proceed with the matter in a way she did. Where there is no jurisdiction, it matters not that nobody challenges the act. It shall not be sanitized by acquiescence or just being kept secret. If it was done contrary to the law then it is invalid, null and void and of no consequence. The *Court of Appeal musk Deer Ltd vs Benjamin Kipkulei & 2 Others [2018] eKLR* when faced with a comparable scenario had these words to pronounce itself:-

**“A court’s jurisdiction flows from either the Constitution or legislation or both. Thus, a Court of law can only exercise jurisdiction as conferred by the Constitution or other written law. It cannot arrogate to itself jurisdiction exceeding that which is conferred upon it by law. We agree with counsel for the first and second respondent in his submission that the issue as to whether a Court of law has jurisdiction to entertain a matter before it, is not one of mere procedural technicality; it goes to the very heart of the matter, for without jurisdiction, the Court cannot entertain any proceedings ... where the Constitution exhaustively provides for the jurisdiction of a Court of law, the Court must operate within the constitutional limits. It cannot expand its jurisdiction through judicial craft or innovation.”**

37. I have found and held that there was no jurisdiction upon the Assistant Registrar to set to reopen and hear an application that had been heard and determined by the registrar on the basis that the statute vesting jurisdiction did not permit review of own orders. Following that decision it follows that what is undertaken without jurisdiction adds to nothing. A creature of the law cannot act contrary or outside the law. In *Samuel K. Macharia vs Kenya Commercial Bank* the Superior Court reminded courts and I think, tribunals, that they have the unwavering and uncompressing duty to only exercise jurisdiction granted by law. The court said:-

**“A court’s jurisdiction flows from either the Constitution or legislation or both. Thus, a Court of law can only exercise jurisdiction as conferred by the Constitution or other written law. It cannot arrogate to itself jurisdiction exceeding that which is conferred upon it by law. We agree with counsel for the first and second respondent in his submission that the issue as to whether a Court of law has jurisdiction to entertain a matter before it, is not one of mere procedural technicality; it goes to the very heart of the matter, for without jurisdiction, the Court cannot entertain any proceedings ... where the Constitution exhaustively provides for the jurisdiction of a Court of law, the Court must operate within the constitutional limits. It cannot expand its jurisdiction through judicial craft or innovation.”**

38. On account of jurisdiction it matters not that the order of restoration was not challenged in time or all. It was void, and one was entitled to deem it so even though it would be neater to have it set aside. I do find and hold that the restoration proceedings conducted by the Assistant Registrar were null and void and of no effect.

39. This finding now makes my further consideration of the remaining ground more of academic or just superfluous. I do so hold because all proceedings and right held pursuant to the second restoration proceedings were based on a null and void order and were themselves null and void. Accordingly nothing erected on nothing stands and cannot be the basis of assertion of any right. This is the position I see the Court of Appeal to have taken in musk deer’s case supra, when it said:-

**[23] On our part we are satisfied in the circumstances of this matter any order(s) that was the outcome of those ex- parte proceedings was a nullity and void. See the persuasive authority in the case of; - *Macfoy vs. United Africa Company Ltd. [1961] 3 ALL E.R 1169* wherein Lord Denning stated,**

**“If an act is void, then it is in law a nullity. It is not only bad, but it is incurably bad. There is no need for an order of the court to be set aside. It is automatically null and void without more ado, though it is sometimes convenient to have the court declare it to be so. And every proceeding founded on it is also bad and incurably bad. You cannot put something on nothing and expect it to stay there. It will collapse.”**

40. The upshot is that this appeal succeeds in entirety and in terms of Section 52 of the Trademarks Act as read with Section 78 of the Civil Procedure Act, I do aside the decision of the Assistant Registrar dated 24/10/2017 together with the decision of dated 11/01/2011 restoring the trade mark no. 17003 (THERMOS).

41. That now leaves the registrar to consider the Appellant’s application for registration on its merits and in accordance with the law, I direct that the application be considered by any other registrar other than Elvin Opiyo.

42. The costs of the appeal is awarded to the Appellant as the successful party.

**Dated and delivered at Mombasa this 11th day of December 2019.**

**P.J.O. OTIENO**

**JUDGE**

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[1] Jersey Evening Post Ltd vs Al Thani [200] JLR 542

