



REPUBLIC OF KENYA
IN THE HIGH COURT OF KENYA AT NAIROBI
COMMERCIAL AND ADMIRALTY DIVISION
CIVIL SUIT NO. 211 OF 2015

SAFEPAK LIMITED.....APPLICANT

VERSUS -

GENERAL PLASTICS LIMITED.....RESPONDENT

JUDGEMENT

1. The appellant, **SAFEPAK LIMITED** has lodged this appeal to challenge the decision of the **INDUSTRIAL PROPERTY TRIBUNAL**, dated 26th February 2010. The Tribunal had, by its said decision, upheld the decision by the **MANAGING DIRECTOR** of the **KENYA INDUSTRIAL PROPERTY INSTITUTE (KIPI)**.
2. At the outset, the appellant had lodged an application for the registration of a design for a container.
3. The application was published in the Industrial Property Journal on 30th April 2005. Following the said publication, the respondent, **GENERAL PLASTICS LIMITED**, filed a notice to oppose the registration of the design.
4. The Managing Director of **KIPI** presided over the Opposition proceedings. After giving a hearing to the parties the Managing Director held that the design was not registrable. There were several reasons given for that decision. The first reason was that the design was not new as it had been used and/or it had been made public in other jurisdictions of the world.
5. The second reason was that the appellant had failed to comply with the mandatory legal requirement, that each person seeking registration of a design, should make available a sample of his design.
6. In view of fact that the law requires an applicant to provide the sample of the design which he wished to have registered, the respondent believes that the burden of proof always vested on the applicant.

Why was that the case?

7. The respondent pointed out that pursuant to Section 87 (2) of the **INDUSTRIAL PROPERTY ACT** an application for the registration of a design would be automatically refused if the applicant failed to make available his sample of the said design. In the circumstances, the respondent emphasized that the burden of proof never shifted from the applicant, as it is the applicant who would fail if it did not provide the sample of the design.

8. There is no doubt that samples of the design are an integral part of the process of determining whether or not a design ought to be registered.

9. Section 87 (2) of the Industrial Property Act stipulates as follows;

“The request shall be accompanied by a specimen of the article embodying the industrial design”.

10. The request being referred in Section 87 (2) is the application for the registration of an industrial design. That therefore means that when a person was lodging an application for the registration of an industrial design, he was under a statutory obligation to make available a specimen of the article embodying the industrial design. It is that specimen which is sometimes cited as a sample.

11. I have carefully perused the Notice of Opposition which was lodged by **GENERAL PLASTICS LIMITED** on 20th June 2005. Nowhere in the said notice is there any assertion that the Appellant had failed to provide a specimen or a sample of the article embodying the industrial design.

12. In other words, the opposition to the applicant’s application was not predicated upon the failure by the applicant to provide a sample.

13. At this stage I find it critical to emphasize the two independent and distinct roles played by the Managing Director of the Kenya Industrial Property Institute (**KIPI**).

14. The first role and function of the Managing Director is to give due consideration to applications for the registration of, *inter alia*, industrial designs.

15. When carrying out that function in the normal course of things, there is no place for any objection. What I mean is that the Managing Director does not need to receive any notice of objection for him to determine whether or not the application should be denied registration.

16. Pursuant to Section 41 (2) of the Industrial Property Act, the Managing Director shall invite the applicant to file the required correction if, at the time the application was received, it did not fulfill the prescribed requirements.

17. In the event that the applicant failed to effect the necessary corrections, the Managing Director would, by dint of the provisions of Section 41 (3) of the Act, treat the application as if it had not been filed.

18. However, an applicant need not wait for an invitation from the Managing Director before he can file the necessary corrections to his application. He has the option to file the necessary corrections at his own instance.

19. When the Managing Director was conducting his role in relation to the application, he is expected to verify whether or not the application was registrable. He was therefore expected, and indeed required, to carry out the requisite examination and inquiries into issues such as novelty of the design.

20. At that stage, the Managing Director’s scope for inquiries was not limited. In fact, it would be a failure on the part of the Managing Director to limit his inquiry either to Kenya or to more well known facts.

21. In my humble opinion, the Managing Director’s inquisitorial function should be exhausted before he decides to publish the application in either the Kenya Gazette or in the Industrial Property Journal.

22. In this case the application had already been published in the Journal.

23. Presumably, it is through the said publication that the Respondent became aware of the application.

24. When the Respondent, **GENERAL PLASTICS LIMITED**, lodged a Notice of Opposition to the

Appellant's application, that gave way to the second role of the Managing Director.

25. In my considered view, the Managing Director would, after an opposition had been mounted, be limited to playing the role of an independent arbiter. In determining the Opposition proceedings, the Managing Director should have restricted himself to the pleadings filed by the 2 parties.

26. In this case General Plastics had taken issue with the following matters;

“1. The Applicant's claimed novel features of the 'shape and configuration' of Design Application No. KE/ID/2003/00539 (Design Application) entitled 'Container Bottle' is not new in terms of the provisions of the Industrial Property Act ("IPA") to qualify for grant of monopoly rights.

2. The Opponent contends that identical or substantially similar articles embodying identical or substantially similar shape and configuration as those embodied in the Container Bottle comprised in the Design Application are and/or have been freely available in the public domain locally and/or internationally on or long before the date of 10th November 2003 when the Applicant filed the Design Application. Consequently, the design Application is unregistrable.

3. Further, the Opponent contends that the features and pattern embodied in the monkey face and features of the Design Application is not new having been used widely on similar and other articles for various functions all over the world. Additionally, the pattern of the body of the bottle is functional and other remaining features, pattern and shape comprised in the Design application are not equally new having already been embodied in identical or substantially similar prior articles disclosed to the public locally and or internationally on or before the date of 10th November 2003 when the Applicant filed the Design Application”.

27. **RASHIK PUNJA SHAH**, a Director of General Plastics, swore the Statutory Declaration to support the opposition. In the said declaration, he introduced **GURMINDER SINGH SODHI**, who is the proprietor of **MULTITECH ENTERPRISES**, of Maharashtra, India.

28. Gurminder Singh swore a Statutory Declaration stating that since 1999, his firm had been producing bottles which were similar to those in the application herein.

29. He did not swear any declaration in relation to an industrial design registered in the United Kingdom.

30. Nonetheless, the Managing Director conducted his own search on the internet, and found that a similar design had already been registered in the **U.K.**

31. It is my finding that that finding did not arise from the evidence which was presented to the Managing Director by either of the parties.

32. The evidence was procured by the arbiter himself!

33. And whereas it would be unfair to accuse the Managing Director of conducting his own search so as to help one or the other party, the position still remains that in the adversarial system which is applied in Kenya, the court, arbitrator or any other arbiter ought not to be involved in seeking out more evidence. He should be content with what the parties made available to him.

34. The appellant suggests that if it had been afforded an opportunity, it would have countered the contentions that;

a) The applicant had not provided a sample;

b) The letter used to forward the sample was neither signed nor was it received at KIPI;

c) **There was a design registered in the U.K which was similar to the one which the applicant wished to have registered in Kenya.**

35. I have no way of knowing whether or not, if the appellant was afforded the opportunity it is complaining about, it would have actually succeeded in countering any of those matters.

36. But I do know that in the adversarial system, it is vital that parties be accorded procedural fairness.

37. In **BAKER Vs CANADA (MINISTER OF CITIZENSHIP & IMMIGRATION) 2 S.C.R 817 6**, it was held as follows;

“The values underlying the duty of procedural fairness relate to the principle that the individual or individuals affected should have the opportunity to present their case fully and fairly, and have the decision affecting their rights, interests, or privileges made using a fair, impartial and open process, appropriate to the statutory, institutional and social context of the decisions”.

38. A person would have the opportunity to present his case fairly when he knows the case that he is facing and that it is that case, as presented by the other party, that he is expected to confront.

39. In this case Rule 49 of the Industrial Property Regulations, 2002, spells out the procedure to be followed in opposition proceedings. Of particular interest is Rule 49 (17) which states as follows;

“At the hearing no evidence other than the evidence provided by statutory declaration or affidavit may be introduced without the leave of the Managing Director”.

40. Statutory declarations and affidavits are sworn by the parties or their witnesses. The Managing Director does not swear any statutory declaration or affidavit.

41. Furthermore, any evidence which was not in the statutory declarations or affidavits cannot be adduced unless the Managing Director gives leave for its production.

42. As the Managing Director is neither a witness nor a party; and more so, because it is he who is expected to adjudicate on the opposition proceedings, he cannot be expected to give evidence in the matter over which he was presiding.

43. By looking at the files at **KIPI** and also by conducting searches on the internet, the Managing Director played a role which he was never supposed to play in the opposition proceedings.

44. In **REPUBLIC Vs PUBLIC PROCUREMENT ADMINISTRATIVE REVIEW BOARD & 3 OTHERS EX PARTE OLIVE TELECOMMUNICATION PVT LIMITED, JUDICIAL REVIEW APPLICATION No. 106 of 2014** the Court expressed itself thus, when commenting on the case of **BAKER Vs CANADA (MINISTER OF CITIZENSHIP & IMMIGRATION)** (Supra);

“In order to determine the degree of procedural fairness owed in a given case, the court set out five factors to be considered: (1) The nature of the decision being made and the process followed in making it; (2) The nature of the statutory scheme and the term of the statute pursuant to which the body operates; (3) The importance of the decision to the affected person; (4) The presence of any legitimate expectations; and (5) The choice of procedure made by the decision – maker”.

45. Applying those factors to the case before me, I find that the Managing Director chose the wrong procedure. He decided to become inquisitorial, when he ought to have limited himself to considering only the evidence which the parties had made available to him.

46. On that ground, the Industrial Property Tribunal ought not to have upheld the decision of the Managing Director.

47. Meanwhile, I note that the Tribunal had, in its Judgement stated as follows;

“On the record of the KIPI file is a letter from the applicant’s advocates dated 25th May 2004 which inter alia forwarded a sample of the design. That letter is unsigned”.

48. In the light of that statement it would appear that the applicant actually delivered a sample.

49. The Tribunal later commented thus;

“Our interpretation is that by the time the Ex-aminer performs the novelty test, he must have the sample to assist him together with the drawings and the graphic representations, in deciding whether the design passes the test for registration or not”.

50. I share those views of the Tribunal. And I find that the said views are more consistent with the presence of a sample during the examination, rather than with its absence.

51. In the final analysis, I find merit in the appeal. I therefore allow the appeal and set aside the decision of the Industrial Property Tribunal dated 26th February 2010.

52. I also set aside the decision of the Managing Director dated 30th July 2008.

53. In effect, the Notice of Opposition is dismissed, as the basis upon which it had been allowed has been found to have lacked a proper foundation.

54. However, I decline the appellant’s invitation to direct that its industrial design application **No. KE/D/2003/00539** proceeds to registration. I have so held because the appeal has been allowed solely on the grounds that the procedure followed in determining the Opposition proceedings was not the correct one.

55. I hereby re-echo the following words of the Industrial Property Tribunal;

“...that KIPI must streamline its procedures to ensure strict compliance with the Act, by both applicants and the Institute before publication of an application for the benefit of all parties and to avoid litigation arising out of such lapse”.

56. The lapses which occurred, as pointed out by the Tribunal were the failure by the Examiner to carry out an International search to satisfy himself that the design had not been registered or disclosed anywhere else in the world; as well as the possibility that the Examiner did not actually examine the sample of the article whose design was to be registered.

57. I talk about the “possibility” because there is no consensus on that aspect. If no sample was presented by the appellant, as held by the Managing Director that would mean that KIPI was telling the world that it’s Examiner caused the appellant’s application to be published in the Industrial Property Journal before he had had an opportunity to examine it. That would constitute a serious indictment of the **KIPI**.

What should happen to the appellant’s application in these circumstances?

58. The Managing Director and his entire team should conduct their inquisitorial role, with a view to determining whether or not the appellant’s design was registrable.

59. In the course of performing its said role, the Managing Director will be required to give to the appellant, **SAFEPAK LIMITED**, a fair opportunity to be heard in accordance with the provisions of the Industrial Property Act.

60. On the issue of the costs of the appeal, I find no reason to condemn the Respondent, **GENERAL PLASTICS LIMITED**, as it was not its fault which led to the setting aside of the decisions of both the Managing Director and of the Tribunal.

61. Accordingly, I order each party to bear its own costs of the appeal as well as their respective costs before the Managing Director and also before the Industrial Property Tribunal.

It is so ordered.

DATED, SIGNED and DELIVERED at NAIROBI this 9th day of November 2015.

FRED A. OCHIENG

JUDGE

Judgement read in open court in the presence of

Jelle for Mrs. Opiyo for the Applicant

Kimani for Gichuhi for the Respondent

Collins Odhiambo – Court clerk.