REPUBLIC OF KENYA

IN THE HIGH COURT AT NAIROBI

MILIMANI LAW COURTS

COMMERCIAL AND TAX DIVISION

HCCC NO. 6 OF 2016

CITY CLOCK (KENYA) LTD.....PLAINTIFF

-vs-

COUNTRY CLOCK KENYA LIMITED.....1ST DEFENDANT

BONFACE KITIVO.....2ND DEFENDANT

JUDGMENT

1. The plaintiff instituted this suit through a plaint dated 14.1.2016, subsequently amended on 20.10.2020. It prays for judgment against the defendant for: -

   (a)A declaration that the defendants have infringed on the plaintiff's trade mark known as "CITY CLOCK" registered under class 42 (Schedule III) under no. 1039 in respect of hire of clocks and Trade Mark No.

KE/T/1988/035936 in class 14 (Schedule III) in respect of clocks, horological and other chronometric instruments.

(b)A declaration that by using the name COUNTRY CLOCK, a get up and set up of clock advertising units that is so strikingly similar to the Plaintiff's clock units then the Defendants are culpable for misrepresentation and the tort of passing off;

(c)A permanent injunction restraining the 1st Defendant whether by itself, its directors, employees, agents and/or servants, or anybody or entity whatsoever deriving authority under it, from transacting with the trade name "Country Clock" which is phonetically similar

in pronunciation and confusingly similar to the Plaintiff's registered trademark, "City Clock";

(d) A permanent injunction restraining the Defendants from installing clock units which are confusingly similar to those belonging to the Plaintiff in terms of the get up, set up and general appearance;

(e) An order of destruction under oath of all the clock advertising units infringing on the Plaintiff's registered trade mark and the general get up of the Plaintiff's clock advertising units;

(f) An order of inquiry into damages for infringement of the Plaintiff's trade mark and/or passing-off by the Defendants;

(g) An order for account for all profits made by the Defendants in the course of the business while using the infringing name and get up on their advertising units;

(h) General Damages for loss of business and income and profit;

(i) Costs of this suit and interest.

2. The plaintiff is involved in the business of renting advertising space on City Clock Advertising Units and outdoor advertising in Kenya since 1984 while providing the public with the correct time of the day.
3. The plaintiff's case is that over the 30 years it has been in operation, it has developed sufficient goodwill and reputation making the clock advertising units synonymous with it and its business.
4. The plaintiff averred that in November 2014, it learnt that a clock similar to its

clocks has been installed outside the Thika Road Mall (TRM) along Thika Road. It investigated and established that the 2nd defendant, its former employee was involved in installation of the clock. It instituted proceedings against him for summary dismissal due to reasonable grounds to suspect him of having stolen the mold and the mechanism but the 2nd defendant resigned citing pressure from the management.

5. The plaintiff claims that the defendants have approached and signed up at least three of its advertising customers owing to the use of the deceptively and confusingly similar clock units and name. That it has sustained loss due to the trademark infringement and passing off. That the defendants have colluded with officials at Nairobi City County Offices to obtain

information on locations identified by the plaintiff and had approvals processed in their favour to the detriment of its business.

Defence

6. The defendants filed a statement of defence to the amended plaint dated 8.6.2021 in which they denied the claims of trademark infringement and passing off. They also denied the allegation that the words “City Clock” and “Country Clock” are displayed on the clock the same way. They claimed that the words “Country Clock” are in dot matrix format and the design of the clock including hands are very different.
7. The defendants denied the allegation that the 2nd defendant stole the clock mold from the plaintiff’s workshop. They contended

that the loss of the mold and other items was reported to the police, investigated and it was established that they were lost during the 2nd defendant's leave of absence and he was absolved from any liability or wrongdoing. The 2nd defendant claimed that the accusations were geared towards coercing him to continue to work with the plaintiff.

8. The 2nd defendant asserted that he had been in the watch-making business for a long period of time and that there was no provision in his terms of engagement with the plaintiff that barred him from practicing his trade as an electric engineer during and after employment.
9. The defendants contended that the length and use of a design similar to the other does not amount to infringing if none of the parties has a right to its patent. They

argued that it is the 1st defendant which should be complaining of patent infringement.

10. The defendants averred that they are not the only providers of advertising with two-sided and four-sided clocks despite being the only patented owners. They contended that they only sell the advertising space, not the name “Country Clock”.

11. The defendants asserted that the plaintiff is a trademark holder of the mark “City Clock” which is not a product contrary to the patent held by the 1st defendant’s director.

12. The defendants denied undercharging for its services and claimed that the confusion by clients is based on the 1st defendant's strategic location of its products and the unique design adopted. They denied that the plaintiff has incurred loss due to their

actions and that the alleged loss could be quantified as approximately Kshs. 5,400,000/-.

13. The defendants admitted that the plaintiff has not authorized them to trade as its agent and that their businesses are not related.

14. The defendants argued that the prayers sought by the plaintiff are unwarranted, contrary to the principles of business competition and will give it monopoly over the four-sided tower clocks and the advertisement thereof contrary to the **Restrictive Trade Practices, Monopolies and Price Control Act Cap 504**.

Evidence

15. At the trial, the plaintiff called its managing director, **Tillman Proske**, as

PW1. He adopted his witness statement dated 22.6.2021 (PExh 1), substantially similar to the plaint, as his evidence. He also produced the plaintiff's bundle of documents dated 27.7.2021 (Pexh 2).

16. At cross-examination, **Mr. Tillman** acknowledged that he is not the inventor of the 4-sided clock in the world. He also acknowledged that the plaintiff is no longer the only company advertising using the 4-sided clock in Kenya. He confirmed that he is not a monopoly right holder.

17. **Mr. Tillman** stated that he did not raise any objection to the registration of the 1st defendant in 2012 as he was not aware of it. However, he confirmed that he replied to the 2nd defendant's resignation letter dated 16.4.2012. He stated that the 2nd defendant was never charged in the criminal court for the alleged theft. He also

stated that the 2nd defendant was on his annual leave when the alleged theft occurred. He could not confirm that the 1st defendant charges more for advertising than the plaintiff.

18. Upon re-examination, **Mr. Tillman** clarified that his case is that the 2nd defendant held out himself as the plaintiff's agent. He was asked to pay for installations only to find that they were not the plaintiff's installations.

19. The 1st and 2nd defendants called the 2nd defendant, **Bonface Muange Kitivo** as **DW1**. He adopted his witness statement dated 11.11.2022 (DExh 1), similar to the defence, as his evidence. He also produced the defendants' bundle of documents also dated 11.11.2022 (DExh 2).

20. At cross-examination, **Mr. Kitivo** confirmed that he was a founding

shareholder of the 1st defendant. He admitted that during the registration of the 1st defendant on 8.11.2012 he was still employed by the plaintiff. He claimed that the 1st defendant started operations in 2014 and that he was a technician for the 1st defendant from that year.

21. **Mr. Kitivo** confirmed that through the ruling delivered on 12.2.2020, the Industrial Property Tribunal revoked the 1st defendant's two industrial designs relating to a 2-sided clock and a 4-sided clock for failure to meet the registrability criteria.
22. **Mr. Kitivo** confirmed that a certain invoice was under cyber-criminal investigation which commenced in 2019.
23. Upon re-examination, **Mr. Kitivo** stated that the Industrial Property Tribunal's decision is the subject of an appeal. He highlighted that the Tribunal found that

the two trademarks were distinct. He also highlighted that the 1st defendant was the holder of the two patents which were registered four years before they were challenged in court.

Submissions

24. The plaintiff and the defendants filed written submissions dated 20.3.2025 and 1.7.2025 respectively.
25. The plaintiff relied on **Article 40 (5) and (6) of the Constitution** on the protection of intellectual property rights and their non-extension to property found to have been unlawfully acquired.
26. The plaintiff submitted that the defendant's use of the words "Country Clock" as they appear on the clock face is

confusingly like the plaintiff's "City Clock". It contended that in both, the font, size, style and placement is so similar that customers would not be able to tell the difference between the two. It also asserted that the get up and set up is widely recognized by the public as distinct specifically to its advertising units commonly referred to as city clock.

27. The plaintiff relied on **Sony Corporation v Sony Holding Limited [2018] eKLR** where the court held that generally, nothing prevents the use of similar or identical trademarks by different proprietors provided that the respective goods or services are of a different description.

28. The plaintiff relied on **section 7 of the Trademarks Act** on the right of registration, the exclusive use granted to

the proprietor of a registered trademark and the elements of trademark infringement. It submitted that the use of similar clock units and name is an intentional imitation meant to create confusion among customers. It also relied on **Puma SE v Mburu [2024] KEHC 9325 (KLR)**.

29. The plaintiff contended that the deliberate, misleading and erroneous use of all or portions of the trademark name and clock advertising unit features that are strikingly similar to its units amounts to passing off, misrepresentation, deception and confusion in the product and service offered. In support, it relied on the **Sony Corporation and Puma SE cases [supra]. It also relied on In A.G. Spalding Brothers v A W Gamage Ltd & Another (1914-15) All E.R Rep 147;**

(1915) 32 RPC 273 HL and Reckitt & Coleman Products v Borden Inc. & Others (1990) 1 WLR 491; (1990) All ER 873.

30. The plaintiff relied on **Africa Management Communication International Limited v Joseph Mathenge Mugo & Another [2016] eKLR** involving similar circumstances where former employees established a competing business and were accused of passing off. The court issued an injunction to restrain the defendants from misrepresenting their association and from engaging in activities that could confuse clients.

31. The plaintiff relied on **Case No. 251/95; Sabel BV v PUMA AG, Rudolf Dassler Sport** and **Raburu v Airtel Network Kenya Limited (Civil Suit 198 of 2023)**

[2024] KEHC 1 KLR (11 March 2024) where the court gave guidelines on likelihood of confusion of similar names and advertising units.

32. The plaintiff asserted that it has incurred loss due to the defendants' divergence of its customers. It also asserted that the defendants' unfair competition and misrepresentation have directly harmed its market position. It estimated that the defendant has installed over 70 clocks and claims Kshs. 600,000/- per unit per annum for 45 clocks from 2014 when the infringement was noted.

33. The defendant submitted that the phrase "City Clock" is generic, not distinct and therefore lacks the authenticity to be covered by intellectual property law. It relied on section 12 of the Trademarks Act and Rule 19 of the Trademark Rules.

34. The defendant relied on the US Court of Appeals for the Federal Circuit decision in **Re Hotels.com LP, case number 2008-1429,** to argue that a generic name is not owned by anyone, even the firm that first marketed it. It further contended that if a trademark becomes generic it loses protection under the law.

35. The defendant argued that the word clock is generic; that even adding the name “city” before “clock” does not negate the fact that clock is generic; that no one can claim exclusive ownership and use of the word city, clock or country; that by imposing trademark rights to the word “clock” everyone shall be denied a right to offer descriptive names to their goods and services such as its service name “Country Clock” contrary to basic business practices.

36. The defendants indicated that they do not dispute the authenticity of the trademark registration documents showing its proprietorship of the trademarks “City Clock” and “Tick Tock”. They, however, contended that the existence of a registered trademark does not entitle the plaintiff to monopolize a generic or descriptive use of clocks for advertising, not prevent fair competition.

37. The defendants argued that the trade name “Country Clock” is not identical or confusingly similar “City Clock” or “Tick Tock” as the words “City” and “Country” have distinct meanings and connotations. They also argued that the mark is visually, phonetically and conceptually distinct as it does not replicate the plaintiff’s marks in style, font or design. They relied on **Cut Tobacco Kenya Ltd v British American**

Tobacco (K) Ltd [2001] eKLR where the court found that for infringement to occur, the marks must be so similar as to cause confusion in the minds of customers. They also relied on the decision of the Assistant Registrar of Trademarks in **In the Matter of Trade Mark Application No. 91937 "CITY CLOCK" (Word and Device) in the name of CITY CLOCK (KENYA) LIMITED and opposition thereto by PAUL MUIMI MUTEMI & COUNTRY CLOCK KENYA LIMITED (2020).**

38. The defendant highlighted that courts have moved away from the incontestability doctrine where a registration becomes incontestable when it has been used continuously to a more practical approach. It relied on the United States Supreme Court decision in **KP Permanent Make-Up, Inc. v. Lasting Impressions I, Inc.**

543 U.S. 111, 124 (2004) where it was held that a descriptive mark that is used descriptively is subject to the fair use defense even if it is subject to a registration that is incontestable.

39. On likelihood of confusion, the defendants submitted that the plaintiff has not demonstrated that the consumers view the clock design and set up – absent the “City Clock” mark as a badge of origin linked exclusively to it. They also submitted that the plaintiff cannot claim exclusivity over the shape and set up of outdoor clocks which are not inherently distinctive and serve functional purposes. The elements such as four-sided clock faces, mounting pipes and advertising cubes are utilitarian and commonly used in the industry. They relied on **Case C-353/03 Societe des Produits Nestle SA v Mars UK LTD**

[2005] ECR I-6135, Societe des Produits Nestle SA v Cadbury UK LTD [2017] EWCA Civ 358, Nairobi Java House Ltd v Mandela Autospares Ltd, Civil Appeal 13 of 2015 and **SABEL BV v Puma AG [1997] Case C251/95.**

40. The defendants argued that the likelihood of confusion must be appreciated globally, considering the overall impression. They contended that while the plaintiff has called evidence of three alleged clients, these clients have not provided evidence as to the confusing terms and/ or designs. They, therefore, faulted the plaintiff for leaving it to the court to make an unsubstantiated finding of confusion. They relied on **British American Tobacco Limited v Cut Tobacco Kenya Limited [2007] eKLR** on the requirement of direct evidence from consumers.

41. The defendants submitted that their use of “Country Clock” constitutes honest concurrent use under **section 15 (2) of the Trademarks Act**. They also submitted that the 1st defendant was incorporated on 8.11.2012 and has operated transparently in the market without intent to deceive. In support, they cited the decision of Lord Tomlin in **In the Matter of an application by Alex Pirie and Sons Ltd to Register a Trade Mark (1933) 50 RPC 147**.

42. The defendants asserted that the plaintiffs have not demonstrated using tangible primary evidence that the registration of the 1st defendant’s clock has inconvenienced their business and that they have suffered any losses arising from the alleged confusion. They also asserted that the plaintiffs have not demonstrated

the prejudice suffered in the eyes and perception of the consumers since the 1st defendant's incorporation.

43. The defendants argued that minor similarities in descriptive names do not necessarily constitute passing off unless there is evidence of deliberate deception. relied on **Office Cleaning Services Ltd v Westminster Window and General Cleaners Ltd (1946) 63 RPC 39 (UK)** and **Quad Africa Energy (Pty) Ltd v The Sugarless Company (Pty) Ltd and Another (Case no 1176/2018) [2020] ZASCA 37 (9 April 2020)**.

Analysis and Determination

44. The plaintiff's claims are for trademark infringement, misrepresentation and passing off.

45. Portraying three distinctive issues for determination: -

(1) Whether the defendants trade name “Country Clock” infringes the plaintiff’s trademarks “City Clock” and “Tick Tock”.

(2) Whether the defendants’ actions amount to misrepresentation and passing off of the plaintiff’s trademarks.

(3) Whether the plaintiff is entitled to the reliefs.

Trademark infringement

46. The registration of a trademark confers on the owner the right of exclusive use of the mark. **Section 7 of the Trade Marks Act** reads in part “…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, …”

47. To prove trademark infringement, the plaintiff ought to establish that “…it is the registered proprietor of the mark, that the alleged infringement was a mark identical which, or so nearly, resembles that of the registered mark so as to be likely to deceive or cause confusion in the course of trade or in connection with the provision of services in registered mark so as to be likely to deceive or cause confusion in the course of trade or in connection with the provision of services’ **Limited & Another ML HCCC No. 138 of 2014 [2015] eKLR and Pastificio Lucio Garofalo S.P.A v**

Debenham & Fear Ltd ML HCCC No. 823 of 2010 [2013] eKLR).” Alpex Consulting Africa Limited (ACAL) 2 others v Associates Consulting Africa Limited (Trading as ACAL Limited) 5 others 2021 KEHC 12654 (KLR)

48. There is no dispute that the plaintiff is the registered proprietor of the marks “City Clock” under classes 14 and 42 and “Tick Tock” under class 35.

49. The question in controversy is whether the 1st defendant’s trade name “Country Clock” is confusingly similar to the plaintiff’s mark “City Clock”.

50. It is the plaintiff’s burden to show that ***“… there is a resemblance between the two marks, and that such resemblance is deceptive. It is also a well-established principle of law that it is the duty of the judge to decide***

whether the trademark complained of does so nearly resemble the registered trademark as to be likely to deceive or cause confusion in the minds of the public. From that duty, the judge cannot abdicate." Aktiebolaget Jonkoping Vukan Industricksfa – Briksaktiebolag v East Africa Match Company Ltd [1964] E.A. 62

51. The plaintiff submitted that the defendant's use of "Country Clock" as they appear on the clock face is confusingly like "City Clock". It contended that in both, the font, size, style and placement is so similar that customers would not be able to tell the difference between the two. It also asserted that the get up and set up is widely recognized by the public as distinct

specifically to its advertising units commonly referred to as city clock.

52. The defendants argued that the trade name “Country Clock” is not identical or confusingly similar “City Clock” or “Tick Tock” as the words “City” and “Country” have distinct meanings and connotations. They also argued that the mark is visually, phonetically and conceptually distinct as it does not replicate the plaintiff’s marks in style, font or design.

53. The defendants further argued that the plaintiff’s clients have not provided evidence as to the confusing terms and/ or designs.

54. A fundamental and functional observations that: -

> “…actual deception or confusion need not be proved. It is enough to show that deception or confusion is likely.

Nonetheless, there will be occasion when it will be necessary to prove actual deception or confusion. For instance, where the Plaintiff seeks damages for the infringement. Actual deception or confusion can inform the Damages to be awarded." **Landor LLC and Wpp Luxembourg Gamma Sarl v Wagude Lui t/a Landor & Associates & 2 others ML HCCC No. 266 of 2016 [2019] eKLR**,

55. I have looked at the evidence. In my considered view, the marks "Country Clock" and City Clock" share the dominant word "Clock" connoting location-based clock or time and are phonetically similar in their ending. "Country" and "City" are different though they both relate to a geographic location. But, the manner they are portrayed, designed, mounted and

presented makes the marks closely resemble.

56. From the photographs exhibited, although Country Clock's clock and advertising units have rounded edges and City Clock's have square edges, the devices are similar and the use of the words Country Clock in the portrait resembling that of the plaintiff are confusingly and deceptively leaning to be like the plaintiff's City Clock's.

57. I also note that the name "Country Clock is in dot matrix and the hands and marks are distinct. However, in both devices, the font, size, style and placement of the names are so similar that customers would not be able to tell the difference between the two.

58. Therefore, I find that the name Country Clock is confusingly similar to City Clock

especially because both the plaintiff and the 1st defendant offer advertising services.

59. In the Assistant Registrar's decision of 19.6.2020, in **In the Matter of Trade Mark Application No. 91937 [supra]** it was held that the plaintiff had a valid and legal claim to the mark "City Clock (word and device) before applying to register it as a trademark. The basis of the finding was that the clock device that had been presented for registration was the most common of all the designs that it had installed in various parts of the country and had been synonymous with its name and business over the years since 1984.

60. The defendants relied on this decision to argue that the plaintiff's mark could distinguish its services from the services of

other undertaking carrying out outdoor business.

61. However, to my mind, the fact that the 1st defendant operates advertising business is the major contributing factor to the confusion and to the infringement as per section 7 of the Trademark's Act.

62. Therefore, I find that the plaintiff has established its claim for trademark infringement.

63. Recapitulation of the matters analyzed above, the defendants; a) are not the proprietor of the trade mark or a registered user thereof; b) have used a mark, design, get-up and set up so nearly resembling the registered mark of the plaintiff as to be likely to deceive or cause confusion in the course of trade or in connection with the provision of services in respect of which it

is registered. Thereby, infringing the plaintiff’s registered mark.

64. This decision does not however, grant monopoly or exclusive use or ring-fence the use of the word ‘Clock’ to the plaintiff as this is a generic word.

Passing off and misrepresentation

65. I now turn to consider the defendants’ actions amount to misrepresentation and passing off of the plaintiff’s trademarks.

66. There are three elements that ought to be established to prove passing off, being misrepresentation, made by a trader in the course of trade, to prospective customers in the course of trade, to prospective customers of his or ultimate consumers of goods or services supplied by him, which is calculated to injure the business or goodwill of another trader and which cause

actual damage to a business or goodwill of the claimant. See **Puma SE v Mburu [supra].**

67. The plaintiff exhibited emails received by it through its official email address from prospective clients inquiring about advertising services offered by the 1st defendant and a local purchase order dated 23.2.2016 addressed to the 1st defendant for Kshs. 201,000/- legal and subscription fees.

68. The plaintiff also exhibited emails from various prospective clients inquiring about advertising spaces in clock devices erected by the 1st defendant at various locations.

69. Based on the foregoing, the plaintiff has established the elements for passing off. It is therefore entitled to the declarations and the injunctive reliefs sought.

70. As regards the prayers for damages, the plaintiff provided proposals and a tax invoice issued to clients, and a summary of total annual loss suffered. However, the summary contains estimated amounts of loss suffered. The loss is not exactly quantifiable.

71. As to the prayer seeking an order for taking of accounts of profits made by the defendants, in **British United Provident Association Limited vs Bupa Kenya Limited [2020] eKLR** cited in **M-Kopa Kenya Limited v Njenga t/a M-Kopo Kastomer Care & Acessories [2025] KEHC 366 (KLR)** the court stated that: -

> ***"…As to the taking of account of profits of an infringer, the philosophy behind the remedy is that a party who has profited***

unlawfully from using or riding on another's intellectual property should not be allowed to keep the profits made from such venture. To permit that would be to allow for unjust enrichment."

72. That notwithstanding, the extent of damages or loss of profits was not established. Thus, affecting the feasibility of taking of accounts of profits.

73. In conclusion, judgment is entered for the plaintiff against the defendants severally and jointly in the following specific terms: -

(a)A declaration that the defendants have infringed on the plaintiff's trade mark known as "CITY CLOCK" registered under class 42 (Schedule III) under no. 1039 in respect of hire of clocks and Trade Mark No.

KE/T/1988/035936 in class 14 (Schedule III) in respect of clocks, horological and other chronometric instruments.

(b)A declaration is hereby issued that by using the name COUNTRY CLOCK, a get up and set up of clock advertising units that is so strikingly similar to the Plaintiff's clock units on design, portrait, dimensions, placement inter alia, the Defendants are culpable for misrepresentation and the tort of passing off;

(c)A permanent injunction is hereby issued restraining the 1st Defendant whether by itself, its directors, employees, agents and/or servants, or anybody or entity whatsoever deriving authority under it, from

transacting with the trade name "Country Clock" in its current projection, the manner it is designed and portrayed in dimensions and placement which makes it phonetically similar and confusingly similar to the Plaintiff's registered trademark, "City Clock";

(d)A permanent injunction restraining the Defendants from installing clock units which are confusingly similar to those belonging to the Plaintiff in terms of the get up, set up, design and appearance;

(e)The 1st defendant is given 90 days from the date of this decision to: a) have its name and design changed in a manner that removes the likelihood of confusion or deception; and b) alter the existing

advertising units in accordance with the new design. This order is made within a claim for infringement of intellectual property and its nature and the need to provide effective remedy justify a structural interdict to ensure the existing advertising units have been accordingly altered and the infringement is removed. Accordingly, the defendants shall file a report on compliance with this order within 14 days upon expiry of the 90 days allowed to carry out the exercise. The matter shall be mentioned at a date agreed between the parties.

(f) Any prayer that is not specifically granted, is deemed to have been denied.

(g) Costs of this suit and interest.

Dated, signed and delivered through Microsoft Teams online application this 29th day of January, 2026

F. Gikonyo M

Judge

<u>In the presence of: -</u>

Kiamba for plaintiff

Dr. Kinyanjui for defendant

CA- Kinyua