



IN THE COURT OF APPEAL

AT NAIROBI

CORAM: GITHINJI, WAKI, J.J.A & DEVERELL, AG. J.A.
CIVIL APPLICATION NO. NAI 303 OF 2004 (UR.153 OF 2004)

BETWEEN

BLACK & BEAUTY PRODUCTS LTD APPLICANT

AND

STRIPES INDUSTRIES LIMITEDRESPONDENT

(An application for stay execution of the judgment and decree pending the lodging and hearing of an intended appeal from the judgment of the High Court of Kenya, Milimani Commercial Court (Mr. Justice Anyara Emukule) dated 13th October, 2004

in

H.C.C.C. NO. 1182 OF 2000)

RULING OF THE COURT

This is an application, under **Rule 5(2)(b)** of the Court of Appeal Rules, for stay of execution of the judgment of the superior court (**Emukule J**) delivered on 13th October, 2004 in High Court Civil Suit No.1182 of 2000 (the suit) pending the intended appeal.

The applicant is Black & Beauty Products Ltd, which was the defendant in the suit.

The respondent is Stripes Industries Limited which is the registered proprietor under the Trade Marks Act (Cap.506) of the trade mark “**YASMINA**” in Class 26 Part A Schedule III in respect of inter alia hair additions and attachments and hair pieces.

The applicant has been using the word “**MINA**” and the phrase “**NEW MINA**” in respect of similar products. The applicant sought but failed to achieve registration of these as its Trade Marks. The respondent as plaintiff in the suit against the applicant prayed in its Complaint for the following relief:-

1. A declaration that the Plaintiff’s Trade Mark 39458 **YASMINA** in class 26 is valid and has been infringed by the Defendant.
2. An injunction restraining the Defendant whether by itself, its directors, officers, employees,

servants or agents or otherwise howsoever from manufacturing, importing, distributing, selling or offering for sale any hair braids and hair pieces bearing the Trade Mark **NEW MINA** which is similar to the Plaintiff's Trade Mark **YASMINA** where the application of the said Trade Mark has not been authorized by the Plaintiff, or otherwise passing off the Registered Trade 39458.

3. An order that the Defendant discloses the names and addresses of all those by whom it has been supplied and to whom it has supplied goods falling within the provisions of paragraph 2 above together with the dates and details of quantities so supplied.

4. An enquiry as to damages, or alternatively at the Plaintiff's option an account of profits made by the Defendant by the aforesaid infringement of the said Trade Mark Number 39458 **YASMINA** and the aforesaid passing off by the Defendant and an order for payment of any sums found due together with interest thereon at court rates.

5. Costs of this suit.

The superior court found in favour of the respondent that the applicant was infringing the respondent's **YASMINA** trade mark and, as is set out in the Decree, made the following Orders:-

"IT IS HEREBY ORDERED:

1. THAT an injunction be and is hereby issued restraining the Defendant whether by itself, its directors, officers, employees, servants or agents or otherwise howsoever from manufacturing, importing, distributing, selling or offering for sale any hair braids and hair pieces bearing the Trade Mark New Mina which is similar to the Plaintiff's Trade Mark YASMINA where the application of the said Trade Mark has not been authorized by the Plaintiff.

2. THAT the Defendant do pay to the Plaintiff the costs of this suit to be taxed and certified by taxing master of this Honourable court.

GIVEN under my hand and seal of the Court on this 13th day of October, 2004."

The applicant, having lodged a Notice of Appeal against the superior court judgment has filed the current application.

In order to succeed in this application, the applicant has to satisfy us as to two matters before we can properly exercise our unfettered discretion in favor of granting the stay sought. The first of these is to establish that the intended appeal is an arguable one and the second is that if we do not grant the stay sought and the intended appellant subsequently succeeds on the appeal the appeal will be rendered nugatory. We will deal with the nugatory limb of the argument first.

If the Applicant wins the intended appeal it will mean that the applicant will be no longer subject to the injunction granted by the superior court (Emukule J) and may recover some costs.

It will be seen from the wording of the injunction that it only prohibits the hair pieces etc from bearing the Trade Mark **NEW MINA**. It does not in any way inhibit the manufacturing, importing, distributing, selling or offering for sale hair braids and hair pieces etc, which do not bear the **NEW MINA** Trade Mark.

The applicant claims in Paragraphs 13 & 15 of the affidavit in support of the Motion:-

"13. That in the event a stay is not granted, the Applicant will have to close down its operation and the appeal will therefore be rendered nugatory.

15. That execution of the orders of the superior court will completely paralyse the Applicant.

6. That an injunction in the nature ordered by the superior court will completely paralyse the Applicant with serious financial losses and create many of the complications.

7. That the Applicant will have to lay off its workers and close the company.

8. That it has taken the Applicant many years to build its Brand Name “New Mina” with lots of quality investment and advertising and it would be too expensive to drop the said trade name.”

The Appellant has made no attempt to give detailed evidence to explain why it will not be possible for it to continue in business selling etc without using the MINA trade mark. It may be some extra costs will be incurred but to suggest that it will be impossible to operate at all appears to us to be an exaggerated claim not established in the applicant’s affidavit.

It is relevant to the present application that the superior court, having found that the applicant was infringing the Respondent’s trademark and ordering the injunction against the continued infringement, did not make any of the other orders sought in the prayers 3 and 4 of the plaint.

There has not, so far as we are aware from the documents placed before us in the current application, been any cross appeal filed by the respondent in relation to the lack of orders in terms of prayers 3 and 4 of the plaint.

It is therefore clear that if the interim injunction now sought was to be granted by us and the appeal were to be subsequently dismissed, the respondent would not be entitled to any damages for the continued additional infringement between now and the appeal decision.

For the above reasons we have come to the conclusion that the appeal will not be rendered nugatory by the refusal of a stay of execution pending the appeal.

Having so found there is no need for us to go into any detail with regard to the second limb as to why we think the appeal is arguable.

Accordingly we order that the application for stay of execution be and is hereby dismissed with costs.

Dated and delivered at Nairobi this 22nd day of December, 2004.

E. M. GITHINJI

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JUDGE OF APPEAL

P. N. WAKI

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JUDGE OF APPEAL

W. S. DEVERELL

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AG. JUDGE OF APPEAL

I certify that this is a

true Copy of the original.

DEPUTY REGISTRAR