

REPUBLIC OF KENYA
~~IN THE HIGH COURT OF KENYA AT MOMBASA~~
JUDICIAL REVIEW DIVISION

MISC. APPLICATION NO. 60 OF 2018

IN THE MATTER OF: AN APPLICATION FOR JUDICIAL REVIEW ORDERS OF
CERTIORARI, PROHIBITION AND MANDAMUS
AND
IN THE MATTER OF: ARTICLE 40 & 47 OF THE CONSTITUTION OF KENYA
2010 THE FAIR ADMINISTRATIVE ACTION ACT, AND
IN THE MATTER OF: THE INDUSTRIAL PROPERTY ACT 2001; TRADE MARKS
ACT; THE TRADE MARK RULES, 1956; SUBSIDIARY
LEGISLATIONS AND AMENDMENTS THERETO AND ALL
ENABLING PROVISIONS OF THE LAW
AND
IN THE MATTER OF: SECTION 3(5) OF THE INTERPRETATION AND GENERAL
PROVISIONS ACT AND SECTION 3(1)A(1) OF THE KENYA
INFORMATION AND COMMUNICATION (POSTAL AND
COURIER SERVICES REGULATIONS 2010

UWIN INVESTMENTS AFRICA
COMPANY LIMITED.....EX PARTE APPLICANT

VERSUS

REGISTRAR OF TRADE MARKS.....1ST RESPONDENT

THE EXECUTIVE DIRECTOR,
ANTI-COUNTERFEIT AGENCY.....2ND RESPONDENT

AND

BRIGHT SKY SOLAR SOLUTIONS LIMITED.....INTERESTED PARTY

RULING

1. By a Notice of Motion dated 17th September, 2018 and filed on the 18th September, 2018, the Ex parte Applicant herein, **UWIN INVESTMENTS AFRICA COMPANY LIMITED** prays for the following orders:

1. ~~AN ORDER OF CERTIORARI to bring into this honourable Court and quash the decision of the Registrar of Trade Marks of the 3rd September 2018 which rectified the Register of Trade Marks by expunging the Applicant's Trade Mark TMA No. 88989 "GDLITE" from the Register of Trade Marks.~~
2. An ORDER OF MANDAMUS upon the 1st Respondent either by themselves, their servants, employees, and/or agents compelling them to remit the matter for reconsideration and hearing before the Tribunal established under the Trade Marks Act.
3. AN ORDER OF PROHIBITION against the 1st Respondent restraining the 1st Respondent either by themselves their servants, employees and/or agents from publishing in the Kenya Gazette or the Kenya Industrial Property Institute industrial property Journal the impugned expungement of Trade Mark TMA No. 88989 "GDLITE"
4. AN ORDER OF PROHIBITION against the 1st Respondent restraining the 1st Respondent either by themselves, their servants, employees and/or agents from assigning to the 3rd parties the Trade Mark "GDLITE" in Class 9 of the Nice Classification of Goods and Services.
5. AN ORDER OF PROHIBITION against the 1st Respondent and 2nd Respondent restraining the 1st Respondent and 2nd Respondent jointly and/or severally either by themselves, their servants, agents and/or on behalf of the Government of the Republic of Kenya from commencing and/or

~~instituting criminal proceedings against the Applicant, its servants, employees, and/or agents for unlawfully possession, control, importing into transiting through, trans-shipping within Kenya; goods in Class 9 of the Nice Classification bearing the Applicant's expunged Trade Mark TMA No. 88989 "GDLITE" pending hearing and determination of this Application and further orders from this honourable Court.~~

6. A DECLARATION that since the 2nd Respondent's actions on the 23rd and 28th of August 2018 of seizing and detaining container numbers TINU9962322 and DRYU4535826 respectively containing the Applicants goods bearing the Applicants Trade Mark TMA No. 88989 "GDLITE" is unlawful, unfair and breach of the Applicants right to a fair hearing and fair administrative action.
7. AN ORDER OF MANDAMUS upon the 2nd Respondent to release the container numbers TINU9962322 and DRYU4535826 seized and detained on the 23rd and 28th August 2018 respectively containing the Applicants goods bearing Trade Mark TMA No. 88989 "GDLITE"
8. In the alternative to prayer 8 above only: AN ORDER OF MANDAMUS upon the 2nd Respondent to remove from the G-Section verification area of Kenya Ports Authority in Kilindini Harbour, Mombasa County containers number TINU9962322 and DRYU4535826 seized and detained on the 23rd and 28th August 2018 to the 2nd Respondent own warehouse.

9. A *DECLARATION* that the *Ex parte Applicant* is entitled to ~~Compensation to be assessed by the honourable Court~~ against the 1st Respondent for the arbitrary deprivation of the Applicant intellectual property being Trade Mark TMA No. 88989 "GDLITE" by expunging the Applicant Trade Mark TMA No. 88989 "GDLITE" from the register of Trade Marks.

10. THAT the Costs of this Application be provided for.

Ex Parte Applicant's Case

2. The facts giving rise to the application are detailed in the Ex-parte Applicant's Supporting Affidavit sworn on 17th September 2018 by **YANMEI LIU** who depones that he is the Applicant's Director and has authority to depone to the matters before the Court.
3. The Applicant's case is that it made an application for registration of the Trade Mark No. **TMA No. 88989 "GDLITE"** in the name of Carton Merchants limited with respect to electrical accessories and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity in Class (9) Nine of Classification of goods and services which Trade Mark was registered by the Respondent on 8th February 2016. (effective 8th September 2015- 8th September 2025).
4. On 2nd August 2017 a third party by the name **NINGBO ZHENGZHENG ELECTRIC APPLIANCE CO. LIMITED** filed an application to rectify the Register with respect to the said trademark by filling the prescribed form TM25 and a statement of case. Copies of the

prescribed form TM25 and a statement of case dated 28th July 2017 were forwarded to Carton Merchants limited on the 13th December 2017. On the 27th March 2018 Carton Merchants limited sought and was granted an extension of time for 90 days within which to file its counter statement

5. On the 12th June 2018 Carton Merchants limited assigned the Trade Mark. **TMA No. 88989 "GDLITE"** to the Applicant and on the 28th June 2018, the assignment was entered into the Register of Trade Marks and a Certificate of Registration of Assignment duly issued.
6. On the 10th July 2018, the Applicant on the strength of the assignment of Trade Mark, prepared for shipment in containers **TINU9962322 and DRYU4535826** from China into Kenya for purposes of commercial trade being 28,260 pieces of unassembled solar charging and lighting system branded "**GDLITE**".
7. On the 24th July 2018 the 1st Respondent wrote a notice to the Applicant which was delivered by registered post on the 7th August 2018 requiring the Applicant to take a hearing date before the Registrar of Trade Marks in liaison with the third party's advocate pursuant to Section 44 of the Trade Marks Acts read together with Rule 83(b) and 103 of the Trade Mark Act.
8. The 2nd Respondent on the 23rd August 2018 on application by the third party's agent seized container No. **TINU9962322** containing goods bearing trade mark No. **TMA No. 88989 "GDLITE"** and took two samples of the Ex parte Applicants good for verification with the 1st Respondent. On the 28th August 2018 the Ex parte Applicant's container no. **DRYU4535826** containing goods bearing Trade Mark

No. TMA No. 88989 "GDLITE" was seized by the 2nd Respondent ~~at the instigation of the agents of the third party and two samples were~~ taken for verification with the 1st Respondent.

9. On the 6th September 2018 **M/S WAFULA, WASHIKA & ASSOCIATES ADVOCATES** having been appointed as the Ex parte Applicant's agent and advocate, filed form TM1 with the 1st Respondent and upon filing, they were served with a letter dated 3rd September 2018 from the 1st Respondent communicating the decision rectifying the Register of Trade Marks by expunging the Ex-parte Applicant's Trade Mark No. **TMA No. 88989 "GDLITE"** for reasons that the Ex parte Applicant had failed to fix the matter for hearing in accordance with the Laws of Trade Mark and as directed by the Registrar vide letter dated 24th July 2018 received on the 7th August by the Ex parte Applicant.
10. The Ex parte Applicant contends that the decision made by the Assistant Registrar of Trade Marks of the 1st Respondent could only be made after the 7th September 2018 on the lapse of 30 days from the date of receipt of the letter dated 24th July 2018 from the 1st Respondent.
11. The Ex parte Applicant avers that **Mr. Edgar Washika** was summoned by one **Chief Inspector Eric Wekesa** attached to Kilindini Port Police Station to appear at the Police Station on the 10th September 2018, and therefore the Applicant's, officers, employees, and or agents are afraid of their imminent arrest and prosecution.

1st Respondent's Case

12. In opposing the application, the 1st Respondent filed a Replying Affidavit sworn by **Eunice Wairimu Njuguna**, its Manager, Legal Services, on the 3rd October 2018. According to the deponent, it joins issues with the Ex-parte Applicant on the registration, assignment and Application for rectification of the Register of Trade Marks. The deponent states that on the 6th July 2018, the 1st Respondent received a letter from **NINGBO ZHENGZHENG ELECTRIC APPLIANCES COMPANY LIMITED** indicating that the Ex parte Applicant had not filed their Counter-Statement by the 24th June 2018 as allowed by the 1st Respondent on the 3rd April 2018.
13. The deponent deposed that the 1st Respondent via letter dated 24th July 2018 required the Ex-parte Applicant to fix the matter for hearing pursuant to the provisions of Section 44 of the Trade Marks Act as read together with Rules 103 and 83(b) of the Trade Mark Rules, within 30 days.
14. The 1st Respondent's case is that on the 28th August 2018, they received a letter from **NINGBO ZHENGZHENG ELECTRIC APPLIANCES COMPANY LIMITED** indicating that the Ex parte Applicant had not complied with the contents of the letter dated 24th July 2018.
15. The 1st Respondent then vide letter dated 3rd September 2018 and upon stating the basis on which the decision was made, the 1st Respondent rectified the Register of Trade Marks by expunging Trade Mark No. **TMA No. 88989 "GDLITE"** from the Register of Trade Marks.

16. The 1st Respondent avers that it followed the procedure prescribed in ~~law to the letter; there was no abuse of process whatsoever and that~~ Trade Mark No. **TMA No. 88989 "GDLITE"** was removed from the Register of Trade Marks due to the indolence and negligence of the Ex parte Applicant and its predecessor in title for the following reasons: -

- i. From **23rd February 2018** to **3rd September 2018** the 1st Respondent gave the Ex parte Applicant and its predecessor in title ample time to file grounds in support of registration of Trade Mark No. **TMA No. 88989 "GDLITE"**.
- ii. That the Ex parte Applicant by the time it was picking its Certificate of Registration of Assignment on the 29th June 2018, was aware that the time for filing the Counter-Statement, Grounds in support of the Registration of Trade Mark No. **TMA No. 88989 "GDLITE"** had expired on 24th June 2018 and made no effort to seek for further attention.
- iii. To date the Ex parte Applicant has neglected to file its grounds in support of the Trade Mark No. **TMA No. 88989 "GDLITE"** 220 days since its predecessor was served with the Application to expunge the Trade Mark from the Register of Trade Marks.
- iv. That in accordance with the provisions of Section 3(5) of the Interpretation and General Provisions Act and rule 3(1)(a) (i) of the Kenya Information and Communication (postal and Courier Services) Regulations, 2010 once a letter is sent by registered post, it is deemed to have been delivered to the addressee. This means that the Ex parte Applicant is deemed to have received the letter dated 24th July 2018 on the 1st August 2018, the day it was delivered

~~to the Ex parte Applicant by registered mail, and the Ex parte Applicant neglected to act on the contents of the letter.~~

- v. The provision of the Trade Mark Act and rule envisage that once expungement or opposition proceedings are initiated at the Registry of Trade Marks, they should come to a close within a prescribed time. This provides certainty to all parties.
17. The 1st Respondent states that the Ex parte Applicant and its predecessor in title did not disclose the reasons why they have not filed their grounds in support of registration of Trade Mark No. **TMA No. 88989 "GDLITE"** to date.
18. The 1st Respondent's case is that the doctrine of Natural Justice, legitimate expectation and reasonableness as well as the provisions of Article 47 of the Constitution that guide the 1st Respondent as a public servant require a balance between the expectations and rights of the Ex parte Applicant and those of **ZINGBO ZHENGZHENG ELECTRIC APPLIANCE COMPANY LIMITED**. The 1st Respondent avers that in accordance with the provisions of rule 52 A of the Trade Mark Rules, and due to the indolence of the Ex parte Applicant and its predecessor in title, the Register of Trade Marks should have been rectified by expunging of Trade Mark No. **TMA No. 88989 "GDLITE"** from the Register of Trade Marks on the 24th June 2018 when the granted period expired. However, due to abundance of caution on the part of the 1st Respondent and in consideration of the provisions of Section 44 of the Trade Mark Act as well as rules 83(b) and 103 of the Trade Mark Rules, the Ex parte Applicant was given a further 30 days within which to fix the matter for hearing vide letter dated 24th July 2018.

19. The 1st Respondent avers that issuing an order of Certiorari quashing ~~the decision of the 1st Respondent would be rewarding and/or~~ condoning indolence and negligence on the part of the Ex parte Applicant who has not come to court with clean hands.
20. The 1st Respondent avers that an order for damages or for costs of the Ex parte Applicant would be contrary to the provisions of the Trade Marks Act and the Trade Mark rules that give clear mandate, and Section 48 that prohibits an award of costs against the 1st Respondent in all proceedings under the Act.

2nd Respondent's Case

21. On behalf of the 2nd Respondent, a Replying Affidavit sworn on the 12th November 2018 by **Yusuf Osman Ahmed** was filed. The deponent depones that he is the acting Chief Anti-Counterfeit Inspector and authorized to depone to the affidavit.
22. The 2nd Respondent's case is that the Agency executes its mandate through inspectors appointed or designated under Section 22 of the Anti-Counterfeit Act. The 2nd Respondent states that on the 1st August 2018, the Interested Party laid a formal complaint with the Agency in compliance with the provisions of Section 33(1) of the Anti-Counterfeit Act and regulation 13 of the Anti-Counterfeit Regulations, 2010 accompanied with an affidavit in support of the Complaint sworn by **Salat Dahir Osman** on the 1st August 2018. The complaint by the Interested Party related to containers **TINU9962322** and **DRYU4535826** being into Kenya from China via the port of Mombasa with suspected counterfeit goods violating the Interested Party's intellectual property rights. Pursuant to the complaint

Inspector Tobias Korir and Derrick Mutugi Kaburu were ~~instructed to open and inspect the said two containers for purposes of~~ determining whether there are suspected counterfeit goods as alleged.

23. The 2nd Respondent states that on the 22nd August 2018, 23rd August 2018 and 28th August 2018 the containers were inspected and the inspectors seized a total of 28,260 pieces of unassembled solar lighting systems bearing the trademark "**GDLITE**" that were suspected to be counterfeit and stored the same at the customs warehouse which is a gazetted counterfeit goods depot. The 2nd Respondent avers that the inspection was carried out fairly, legitimately and procedurally and that the Ex parte Applicant was represented by **EDGAR WASHIKA OCHIMA** an agent and advocate of the ex-parte Applicant and after investigations a decision was made to prefer criminal charges against the persons and entities including the Ex parte Applicant herein on 14th September 2018. The said criminal charges are based on a formal complaint that complied with the provision of the Act and demonstrates a dispute with regard to the use of Trade Mark "**GDLITE**" and the industrial design and which dispute need to be "*decided in a fair and public hearing*" before a Court as provided under Article 50(1) of the Constitution.
24. As for this Application the 2nd Respondent avers that the same is fatally defective and incurably incompetent for failure to comply with the express provisions of Order 53 rule 3 of the Civil Procedure Rules and only prayers 5, 6, 7-& 8 of the said Application relate to the 2nd Respondent and those prayers are contrary to express provisions of law and cannot be granted by this Court.

25. The 2nd Respondent states that prayer No.5 of the substantive notice of ~~motion is not available to the Ex parte Applicant as it runs counter to~~ the express provisions of Article 157(6) of the Constitution as the Director of Public Prosecutions is not enjoined in the proceedings and that such prerogative order of prohibition cannot issue against a person or entity not vested with the power to perform the act sought to be prohibited. The prayer for prohibition is incapable of being granted as that would amount to this Court acting in vain.
26. The 2nd Respondent avers that prayer No. 6 is incapable of being granted by this Court in an application brought under the provisions of Order 53 of the Civil Procedure Rules.
27. The 2nd Respondent case is that it is a criminal offence to import counterfeit goods in Kenya and it cannot be said that the seizure was unlawful, unfair by any stretch of imagination since the opportunity to be heard was afforded to the Ex parte Applicant's agent, who recorded a statement with the Agency and it cannot be said that there was violation of the Ex parte Applicant's right to a fair administrative action. The suspected counterfeit goods can only be released after a finding that the same are genuine and in the absence of any such finding, then the orders of *Mandamus* cannot issue.
28. The deponent deposed that prayer No. 8 of the substantive motion flies in the face of Section 25(I) (c) of the Anti-Counterfeit Act and that the powers to seize suspected goods is vested in an inspector as provided under Section 27(4) of the said Act and that the inspectors who seized the goods are known to the Ex parte Applicant and it is therefore mischievous to allege that the 2nd Respondent seized the goods. The

~~1st Respondent on the 29th August 2018 and the 1st Respondent vide~~
2nd Respondent states that it carried its due diligence by writing to the
letter 4th September 2018 advised the Agency that the alleged
Applicant's trade mark had been expunged. The Applicant has been
charged before a subordinate Court and it is only prudent that the issue
of whether the goods are counterfeit be determined by the trial court
and that the seized goods are exhibits in the criminal trial. The 2nd
Respondent avers that the Ex parte Applicant has not sought to quash
the aforesaid seizures and inventories on account of illegality or
otherwise and consequently no order can be issued by this Court when
the seizure has not been invalidated. The absence of any irrationality,
illegality or procedural impropriety on the part of the Agency means
that this application ought to be dismissed with costs.

Interested Party's Case

29. The Interested Party on its part opposed the application vide a Repling Affidavit sworn by Mr. **Mohammed Ali Issack** on 10th November, 2018. The deponent avers that he is the manager of the Interested Party. The interested party avers that it is the owner of Trade Mark "**GDLITE**" in Kenya having registered it on the 15th April 2015 pursuant to the Kenyan Trademark Laws and having been appointed as true and lawful agents of the original owner NINGBO ZHENGZHENG ELECTRIC APPLIANCE COMPANY LTD via a Power of Attorney.
30. The Interested Party avers that on or about 23rd August 2018, it received information that the Applicant had imported into the country goods similar and/or identical to their registered Trade Mark

“GDLITE” through the port of Mombasa. The Interested Party states ~~that the Ex parte Applicant is not approaching this Court with clean~~ hands as their sluggishness in fulfilling their obligations led to expungement of the Trade Mark and that Rule 52 of the Trade Mark Rules provides that if an applicant fails to submit a Counter-Statement to the Registrar within the prescribed period, the Application shall be deemed abandoned and the Registrar may proceed to make an award on costs and that the 1st Respondent acted reasonably, impartially and in good faith.

Submissions

31. The Ex parte Applicant filed submissions dated 14th November 2018. The 1st Respondent submissions are dated 7th November 2018, while the 2nd Respondent submissions are dated 22nd January 2019. The Interested Party's submissions are dated 7th November 2018.

Ex- parte Applicant's Submissions

32. The Ex parte Applicant's submissions reiterate the matters stated in the application. **Mr. Washika** Learned Counsel for the Ex parte Applicant submitted that they held a trade mark for class 9 while the Interested Party's Trademark is Class 11 and that under section 15 of the Trade Mark Act both Trademarks can exist simultaneously for reasons that the description of the goods is different.
33. **Mr. Washika** submitted that the decision they seek to review was made by the Registrar of Trade Marks vide letter dated 24th July 2018. The said letter was received on the 7th August 2018 and the Applicant had 30 days from the date of receipt to set down the matter for hearing.

Unfortunately, the Registrar proceeded to expunge the Trademark through her letter dated 3rd September 2018, 4 days before the due date. Counsel submitted that the Ex parte Applicant was not given an opportunity to be heard because while they had prepared for the expungement proceedings, they were denied a fair opportunity to be heard. Counsel submitted that they are ready to go back to the Trade Mark's Tribunal to properly ventilate their case.

34. **Mr. Washika** submitted that the suit goods were imported before the expungement of the Ex parte Applicant's Trademark was effected as shown on the bill of lading and that the 2nd Respondent took into consideration extraneous factors before seizing the said goods and preferring charges against the Ex parte Applicant and also the 2nd Respondent did not understand the distinction under section 15 of the Trade Marks Act. Counsel submitted that the distinction under Section 15 of the said Act was made clear to the 2nd Respondent vide letter dated 4th September 2018 from **KIPI**. The said letter confirms the expungement and also explains why there are similar Trade Marks of two Classes. The said snowballed into the said criminal proceedings and had there not been an expungement there would not have been the criminal proceedings.

1st Respondents Submissions.

35. **M/s. Njuguna**, Learned Counsel for the 1st Respondent adopted their filed submissions which are a reiteration of its Replying Affidavit to the substantive motion and in summary, submitted that the decision made on the 3rd September 2018 was a result of the Ex parte Applicant's indolence since the expungement proceedings were registered on the

24th February 2018. The Trade Mark was transferred from Carton Merchants limited to the Ex parte Applicant and that the Ex parte Applicant personally picked the letter of assignment from the Registrar on the 29th June 2018 after the period for filing a counter-statement had lapsed on the 24th June 2018 and the letter dated 24th June 2018 was to inform the Applicant to fix the matter for hearing based on section 24 of the Trade Mark Act. Counsel submitted that they cannot rely on the date on which the letter was received since they cannot be sure of that and can only rely on the date of posting which is certain.

36. **M/s. Njuguna** submitted that the Ex parte Applicant knowing that a dispute for expungement of its Trade Mark was in existence, should not have made the imports which were confiscated and that the confiscation by the 2nd Respondent was done on the 23rd and 28th August 2018 even before the expungement of the Trade Mark on the 3rd September 2018 and so the criminal proceedings and confiscation have nothing to do with the Registrar of Trade Marks.

2nd Respondent Submissions

37. **Mr. Mkofu**, Learned Counsel for the 2nd Respondent adopted the content of their filed submission which is a reiteration of their Replying Affidavit to the substantive motion and submitted that they considered relevant factors and even by letter dated 29th August 2018 wrote to the 1st Respondent seeking a clarification on class 9 and 11 of solar products and vide letter dated 4th September 2018, the clarification was given with no mention of solar equipment and that the Trade Mark had been removed from the Register of Trade Marks on the 3rd September 2018. Solar products were not applicable to the mark and

from the charge sheet it is evident that an assembly of solar products was seized.

38. Mr. Mkofu submitted that the Executive Director of the 2nd Respondent was not the appropriate party to be sued and therefore he should be expunged as a party.

Interested Party's Submissions

39. Mr. Tajbhai holding brief for Ahmed Abdulahi for the Interested Party, reiterated the content of their Replying affidavit to the substantive motion and relied on their written submissions.

Issues

40. Having considered the submissions by all the parties in the Application, the following issues arise for determination.
1. *Whether the letter dated 24th July 2018 was delivered to the Ex parte Applicant and if so, when was that done.*
 2. *Whether there was indolence on the part of the Ex parte Applicant.*
 3. *Whether the 1st Respondent followed the due process in arriving at the decision dated 3rd September 2018.*
 4. *Whether the decision of the 2nd Respondent on the 23rd and 28th August 2018 to seize Ex parte Applicant's goods and to institute criminal proceedings against the Ex parte Applicant were made after the 2nd Respondent had taken into consideration irrelevant consideration.*
 5. *Whether Costs are awardable.*

The Determination

41. I have carefully considered the application, the affidavits both in support of, and in opposition to the application, the submissions as well as the authorities cited.

1. Whether the letter dated 24th July 2018 was delivered to the Ex-parte Applicant and if so, when was that done.

The law on when a party is deemed to have received a document via post is set out under the provisions of section 3 (5) of the Interpretation and General Provisions Act (Cap. 2) Laws of Kenya, which provides that

“where any written law authorizes or requires a document to be served by post, whether the expression “serve” or “give” or “send” or any other expression is used, then, unless a contrary intention appears, the service shall be deemed to be effected by properly addressing to the last known postal address of the person to be served, prepaying and posting, by registered post, a letter containing the document, and, unless the contrary is proved, to have been effected at the time at which the letter would be delivered in the ordinary course of the post.”

42. The foregoing provision allows a party to prove when it actually received a document via post, so that the presumption that the party received the document “*in the ordinary course of the post*” would not apply to cases where a party proves to the contrary.

43. The Applicant has proved vide the annexure marked YL-7 in its Supporting Affidavit sworn on 17th September 2018 (at pages 11 and 12), that it received the letter from the 1st Respondent on 7th August 2018. The stamp on the call notice 6-1851543-18-3711 from the Postal

Corporation of Kenya (at page 1) is dated 7th August 2018 and the Ex parte Applicant avers that it collected the letter on the same day.

44. In light of the foregoing, the effect of applying the "*unless the contrary is proved*" provision in section 3 (5) of the Interpretation and General Provisions Act is that the Applicant, by law and by fact, received the notification from the 1st Respondent on 7th August 2018. Section 44 of the Trade Marks Act as read together with Rule 103 and rule 83(b) of the Trade Mark Rules provide for thirty (30) days from the date of receipt of the letter or notice. This being the 7th August 2018, then any action by the 1st Respondent ought to have been undertaken after the 7th September 2018.
45. Accordingly, this Court finds and holds that the 1st Respondent fell in error of law and acted unfairly when it computed time and found that time started running on 1st August 2018 when it posted the letter dated 24th July 2018 to the Ex parte Applicant.
- 2. Whether there was indolence on the part of the Ex parte Applicant.**
46. The 1st Respondent avers that by the time the Ex parte Applicant was picking the certificate of Registration of assignment on the 29th June 2018 time for filing a counter statement had already run out on the 24th June 2018 and the Applicant made no attempt of filling the counter-statement or seeking an extension of time as prescribed. Further, the 1st Respondent avers that the Ex-parte Applicant states that it received the letter dated 24th July 2018 on the 7th August 2018, but has not explained why it took it a nearly a month to appoint an agent.

47. It is this Court's finding that the Ex parte Applicant by appointing an agent on the 6th September 2018 demonstrated its willingness to comply with the provision of the letter dated 24th July 2018. Unfortunately, the 1st Respondent arrived at its decision before the Ex parte Applicant was afforded the right to be heard and as a result the 1st Respondent committed procedural impropriety and illegality the consequence of which is that the decision vide letter dated 3rd September 2018 cannot be sustained. Further, the 1st Respondent, having ignored all the alleged earlier indolence, on the part of the Ex parte Applicant, by its letter dated 24th July 2018 is deemed to have disregarded the said indolence and given the Ex parte Applicant a fresh start to comply with the law. That fresh start, embodied in the said letter, had to comply with the procedural justice. After that letter the 1st Respondent cannot again purport to refer to earlier incidences of alleged indolence on the part of the Ex parte Applicant.

3. **Whether the 1st Respondent followed the due process in arriving at the decision dated 3rd September 2018.**

48. It is clear that under Section 44 of the Trade Marks Act as read together with Rules 103 and rule 83(b) of the Trade Mark Rules the Ex parte Applicant was to take a hearing date within thirty (30) days from the 7th September 2018. Section 44 of the Trade Marks Act provides:

44. Hearing before exercise of Registrar's discretion

Where any discretionary or other power is given to the Registrar by this Act or the rules, he shall not

~~exercise that power adversely to the applicant for registration or the registered proprietor of the trade mark in question without (if duly required so to do within the prescribed time) giving to the applicant or registered proprietor an opportunity of being heard.~~

Rule 83 of the Trade Marks Rules, 1956 provides:

83. Further procedure

Rules 48 to 57 shall apply with respect to the further proceedings relating to an application in Form TM 25, with necessary modifications and with the following specific modifications—

(a)...

(b) *the Registrar shall not rectify the register or remove the mark from the register merely because the registered proprietor has not filed a counter-statement.*

Rule 103 provides:

103. Hearing

Before exercising adversely to any person any discretionary power given to the Registrar by the Act or these Rules, the Registrar shall, if so required, hear that person thereon.

49. The Ex parte Applicant further faults the decision conveyed by a letter dated ~~3rd September 2018~~ on the grounds that it did not meet the requirements for procedural justice. The Ex parte Applicant contends that it was not afforded an opportunity of being heard before the impugned action was taken. The right to a hearing is recognized in Article 47(1) and (2) of the Constitution which provide:

- (1) Every person has the right to administrative action that is expeditious, efficient, lawful, reasonable and procedurally fair.**
- (2) If a right or fundamental freedom of a person has been or is likely to be adversely affected by administrative action, the person has the right to be given written reasons for the action.**

50. The 1st Respondent being a public body has a constitutional and statutory obligation placed on it to give the Ex parte Applicant a right to be heard, bearing in mind that the decision it was bound to arrive at would have adverse effects on the rights of the Ex parte Applicant and fundamental freedoms of the Ex parte Applicant.

Section 4(3) of the Fair Administrative Act 2015 provides

as follows: -

- (3) Where an administrative action is likely to adversely affect the rights or fundamental freedoms of any person, the administrator shall give the person affected by the decision-***

- (a) *prior and adequate notice of the nature and ~~reasons for the proposed administrative~~ action;*
- (b) *an opportunity to be heard and to make representations in that regard;*
- (c) *notice of a right to a review or internal appeal against an administrative decision, where applicable;*
- (d) ...

51. In *Onyango Oloo vs. Attorney General* [1986-1989] EA 456 the Court of Appeal expressed itself as follows:

“A decision in breach of the rules of natural justice is not cured by holding that the decision would otherwise have been right since if the principle of natural justice is violated, it matters not that the same decision would have been arrived at...It is improper and not fair that an executive authority who is by law required to consider, to think of all the events before making a decision which immediately results in substantial loss of liberty leaves the appellant and others guessing about what matters could have persuaded him to decide in the manner he decided...In the course of decision making, the rules of natural justice may require an inquiry, with the person accused or to be punished, present, and able to understand the charge or accusation against him, and able to give his defence. In other cases it is sufficient if there is an investigation by responsible officers, the conclusions of which are sent to the decision-making body or person, who, having given the person affected a chance to put his side of the matter, and offer whatever mitigation he

considers fit to put forward, may take the decision in the absence of the person affected. The extent to which the rules apply depends on the particular nature of the proceedings...”

52. Similarly, Lord Wright’s decision in **General Medical Council vs. Spackman** [1943] 2 All ER 337 cited with approval in **Republic vs. Vice Chancellor JKUAT Misc. Appl. No. 30 of 2007** that:

“If the principles of natural justice are violated in respect of any decision, it is, indeed immaterial whether the same decision would have been arrived at in the absence of the departure from essential principles of justice. The decision must be declared as no decision.”

53. In **Ridge vs. Baldwin** [1963] 2 All ER 66 at 81, Lord Reid expressed himself as follows:

“Time and again in the cases I have cited it has been stated that a decision given without the principles of natural justice is void.”

54. In **Judicial Service Commission vs. Gladys Boss Shollei & Another** [2014] eKLR the court stated that:

“Apart from the need for independence and impartiality, the right to a fair hearing under Article 50(1) of the Constitution encompasses several aspects. These include, the individual being informed of the case against her/him; the individual being given an opportunity to present her/his side of the story or challenge the case against her/him; and the individual having the benefit of a public hearing before a court or other independent and impartial body.”

55. In *Msagha vs. Chief Justice & 7 Others* Nairobi HCMCA No.

~~1062 of 2004 (Lessit, Wendo & Emukule, JJ on 3/11/06)~~

(HCK) [2006] 2 KLR 553 it was held:

“The Court observes firstly that the rules of natural justice “audi alteram partem” hear the other party, and no man/woman may be condemned unheard are deeply rooted in the English common law and have been transplanted by reason of colonialisation of the globe during the hey-days of the British Empire. An essential requirement for the performance of any judicial or quasi-judicial function is that the decision makers observe the principles of natural justice. A decision is unfair if the decision-maker deprives himself of the views of the person who will be affected by the decision. If indeed the principles of natural justice are violated in respect of any decision, it is indeed immaterial whether the same decision would have been arrived at in the absence of the departure from essential principle of justice. The decision must be declared to be no decision...It is paramount at this juncture that this court establishes the ingredients and/or components of natural justice. The principles of natural justice concern procedural fairness and ensure a fair decision is reached by an objective decision maker. Maintaining procedural fairness protects the rights of individuals and enhances public confidence in the process. The ingredients of fairness or natural justice that must guide all administrative decisions are, firstly, that a person must be allowed an adequate opportunity to present their case where certain interests and rights may be adversely affected by a decision-maker; secondly, that no one ought to be judge in his or her case and this is the requirement

that the deciding authority must be unbiased when according the hearing or making the decision; and thirdly, that an administrative decision must be based upon logical proof or evidence material.”

56. It is this Court's finding that the 1st Respondent decision communicated vide letter dated 3rd September 2018 is tainted with procedural impropriety, falls short of the requirement envisaged under Article 47(2) of the Constitution, and Sections, 4(3) b of the *Fair Administrative Action Act* 2015. Consequently, this Court taking into consideration the explanation given by the Respondents has no option but to declare that the impugned decision by the 1st Respondent is null and void *ab initio*.
57. The failure with respect to Article 47 and Section 4(3) of the *Fair Administrative Action Act* 2015 manifested itself right from the failure by the 1st Respondent to comply with the 30 days period required under Section 44 of the *Trade Marks Act* and Rules 103 and 83(b).
4. **Whether the decision of the 2nd Respondent on the 23rd and 28th August 2018 to seize Ex-parte Applicant's goods and to institute criminal proceedings against the ex-parte Applicant were made after the 2nd Respondent had taken into consideration irrelevant consideration.**
58. The Ex-parte Applicant submitted that that the 2nd Respondent decision to seize its goods and thereafter initiate criminal proceedings against its officers was initiated by the filing of a complaint by the Interested Party. The 2nd Respondent examined the evidence by both

the Interested Party and the Ex parte Applicant and decided to detain the Ex parte Applicant's goods and to initiate criminal proceedings.

59. Under Section 26(4) of the Anti-Counterfeit Act 2008 it is provided as follows: -

“Where the subsistence of an intellectual property right in respect of protected goods or any person’s title to or interest in such intellectual property right is in issue in any civil or criminal proceedings concerning counterfeit goods, the substance of, title to or interest in such intellectual property right, where it is alleged to encompass the rights in respect of industrial property as contemplated in the definition of “intellectual property right” in this Act, may be proved in accordance with the provisions of the various industrial property legislation”

60. The 2nd Respondent vide letter dated 29th August 2018 sought an opinion from the 1st Respondent prior to the detaining of the Ex parte Applicant's goods and the institution of criminal proceedings against its officers. The 1st Respondent communicated its opinion to the 2nd Respondent vide letter dated 4th September 2018.
61. The 2nd respondent submitted herein that they considered relevant factors and even by letter dated 29th August 2018, wrote to the 1st Respondent seeking a clarification on class 9 and 11 of solar products and vide letter dated 4th September 2018 the clarification was given with no mention of solar and that the Trade Mark had been removed from the Register of Trade Marks on the 3rd September 2018 and that solar products were not applicable to the Ex parte Applicant's Trade Mark. From the charge sheet it is evident that an assembly of solar

products was seized. It is clear that there was interaction between the ~~1st and 2nd Respondents on the issue and that the 2nd Respondent~~ decision to charge the Ex parte Applicant was solely based on the 1st Respondent decision communicated vide letter dated 3rd September 2018. Accordingly, this Court finds that both the charging of the Ex parte Applicant and seizer of its goods were based on faulty premises and cannot stand. The Ex parte Applicant's detained goods were not counterfeit. Instead, they were declared counterfeit by the Interested Party, who, in an effort to protect its perceived market share, made a report to 1st Respondent that the said goods were counterfeit. Further, the 2nd Respondent avers that it was advised by the 1st Respondent vide a letter dated 4th September 2018 that the said Trade Mark had been expunged. This means that if the 1st Respondent was wrong in expunging the said Trade Mark, then the 2nd Respondent was also wrong in the action it took in detaining the Ex parte Applicant's goods and instituting criminal proceedings against the Ex parte Applicant officials. The 2nd Respondent's action was therefore unlawful and illegal.

62. The scope of Judicial Review proceedings has since expanded under the new Constitutional order, and in appropriate cases the Court will enter into the merits of a decision made by an inferior body.
63. The Court of Appeal decision in **Suchan Investment Limited vs. Ministry of National Heritage & Culture & 3 others [2016] KLR**, at paragraphs 55-58 to advance the argument that the Fair Administrative Action Act which underpins the values of the Constitution of Kenya forms the foundation for the exercise of Judicial

Review and ousts the previously utilized common law principles that set Judicial Review to be exclusively on procedural matters. The Court of Appeal expressed itself thus:

“An issue that was strenuously urged by the respondents is that the appellant’s appeal is bad in law to the extent that it seeks to review the merits of the Minister’s decision while judicial review is not concerned with merits but propriety of the process and procedure in arriving at the decision. Traditionally, judicial review is not concerned with the merits of the case.

However, Section 7 (2) (1) of the Fair Administrative Action Act provides proportionality as a ground for statutory judicial review. Proportionality was first adopted in England as an independent ground of judicial review in *R v Home Secretary; Ex parte Daly* [2001] 2 AC 532. The test of proportionality leads to a “greater intensity of review” than the traditional grounds. What this means in practice is that consideration of the substantive merits of a decision play a much greater role. Proportionality invites the court to evaluate the merits of the decision; first, proportionality may require the reviewing court to assess the balance which the decision maker has struck, not merely whether it is within the range of rational or reasonable decisions; secondly, the proportionality test may go further than the traditional grounds of review inasmuch as it may require attention to be directed to the relative weight accorded to interests and considerations; thirdly, the intensity of the review is guaranteed by the twin requirements in Article 24 (1) (b) and (e) of the Constitution to wit that the limitation of the right is necessary in an open and democratic society,

in the sense of meeting a pressing social need and whether interference vide administrative action is proportionate to the legitimate aim being pursued.

64. It is the finding hereof that the 1st Respondent deliberately left out the issue of solar panels and solar batteries being provided for in the Class 9 in which the Ex parte Applicant's Trade Mark had been registered thereby influencing the decision of the 2nd Respondent. The 2nd Respondent on the other hand took into consideration irrelevant matters in arriving at its decision to seize and prefer criminal charges against the Ex parte Applicant's officers.
65. Although the D.P.P is not a party of these proceedings, and cannot be stopped from proceedings with the **Criminal Case No. 1585/18 ACA**, that case cannot proceed because it is based on faulty grounds. The ingredients of the charges therein have no legal foundation. It is a waste of time and an abuse of the Court process and serves no purpose. The attention of the D.P.P in that matter is hereby drawn to these proceedings for the D.P.P to take note.
66. In the premises the Motion dated, 17th September 2018 succeeds and orders issued as follows:
- a) **An order of certiorari is hereby issued removing into this Court for purposes of quashing the 1st Respondent's decision made on the 3rd September 2018 which rectified the Register of Trade Marks by expunging the Applicant's Trade Mark TMA No. 88989 "GDLITE" from the Register of Trade Marks.**
 - b) **An order of mandamus is hereby issued removing into this Court for purposes of compelling the 1st Respondent either**

by themselves, or their servants, employees and/or agents ~~compelling them to remit the matter for reconsideration and~~ hearing before the Tribunal established under the Trade Mark Act.

- c) A declaration that the 2nd Respondent's actions on the 23rd and 28th of August 2018 of seizing and detaining container numbers TINU9962322 and DRYU4535826 respectively containing the Applicants goods bearing the Applicants Trade Mark TMA No. 88989 "GDLITE" is unlawful, unfair and in breach of the Applicant's right to a fair hearing and fair administrative action.
- d) An order of prohibition against the 1st Respondent restraining the 1st Respondent either by themselves, their servants, employees and/or agents from assigning to the 3rd parties the Trade Mark "GDLITE" in Class 9 of the Nine Classification of Goods and Services until the matter is reconsidered under Order No. (b) above.
- e) An order of mandamus upon the 2nd Respondent to release the container numbers TINU9962322 and DRYU4535826 seized and detained on the 23rd and 28th August 2018 respectively containing the Applicants goods bearing Trade Mark TMA No. 88989 "GDLITE"
- f) A declaration that any criminal proceedings initiated by the 2nd Respondent relating to the matters raised herein are premature, illegal and unfounded and for that reason the said Criminal Case No. 1585 of 2018 ACA is hereby forthwith terminated.

It is so ordered.

Dated, Signed and Delivered in Mombasa this 10th day of June,
2019.



E. K. OGOLA

JUDGE

In the presence of:

Mr. Simiyu holding brief Washika for Ex parte Applicant

Ms. Kasayan holding brief Adera for 2nd Respondent

Mr. Ahmed for Interested Party

Mr. Kaunda Court Assistant

ORIGINAL