



REPUBLIC OF KENYA
IN THE HIGH COURT OF KENYA AT NAIROBI
MILIMANI LAW COURTS
COMMERCIAL AND TAX DIVISION
CORAM: F. MUGAMBI, J
COMMERCIAL CASE NO. E403 OF 2024

BETWEEN

VISION TECHNO TRADE CO LTD PLAINTIFF/APPLICANT

VERSUS

GULF AFRICA MACHINERY KENYA LTD 1ST DEFENDANT/RESPONDENT

ANTI-COUNTERFEIT AUTHORITY 2ND DEFENDANT/RESPONDENT

RULING

Background and introduction

1. The plaintiff, an importer and supplier of various machines, filed this suit against the defendants by way of a plaint dated 16th July 2024.
2. The plaintiff contends that some of the machines that it imports and supplies in the Kenyan market are manufactured in China, and branded with the mark “GIRASOL”. The plaintiff challenges the registration of the “GIRASOL” trademark in Kenya by the 1st

defendant. The plaintiff argues that the two marks are strikingly similar in terms of spelling and pronunciation, which could create confusion in the Kenyan market. This confusion could lead members of the public to believe that the 1st defendant's machines branded with the mark "GIRASOL" are those of the plaintiff or are supplied and sold in association or collaboration with the plaintiff, which is not the case and is detrimental to the plaintiff's business.

3. The plaintiff's claim against the 2nd defendant is based on the threat by the 2nd defendant to seize, remove and detain the plaintiff's machines bearing the mark "GIRASOL" on the basis that they are counterfeit goods.
4. The plaintiff consequently prays for an order directed at the Registrar of Trade Marks to register the trade mark "GIRASOL", a permanent injunction restraining the 1st defendant from dealing in the machines bearing the mark "GIRASOL", from claiming trademark infringement or passing off or making threats or lodging objections to the 2nd defendant. The plaintiff also seeks a permanent injunction restraining the 2nd defendant from seizing, removing or detaining the plaintiff's machines bearing the mark "GIRASOL" or declaring the plaintiff's machines bearing the mark "GIRASOL" as counterfeit goods and for police assistance in enforcing some of the prayers.

5. Contemporaneously with the plaint, the plaintiff filed a Notice of Motion application of even date, seeking temporary injunction orders against the 1st and 2nd defendants, pending the hearing and determination of the suit.
6. The application is opposed. The 2nd defendant filed a Notice of Preliminary objection dated 26th July 2024 challenging the jurisdiction of this court over the matter and Grounds of Opposition dated 29th July 2024. The 1st defendant filed a replying affidavit sworn on 30th August 2024 by its director, ADITYA BANSAL.
7. The gist of the 1st defendant's case is that it is the registered owner of the trademark "GIRASOL" in Kenya, that the plaintiff is only a retailer in Kenya on behalf of a company registered in China and therefore has no locus to institute the suit on behalf of the copyright owner and that the registration of the said mark does not affect registration in Kenya, being that trade mark rights are territorial. The 1st defendant denies having lodged any complaint with the 2nd defendant as alleged.

Analysis and determination

8. I have carefully considered all the pleadings, responses, evidence and submissions made by the parties in support of their arguments. I am aware that a jurisdictional issue is not a matter a

procedural technicality. It goes to the root of the matter at hand and without jurisdiction, this court would be making orders which are void *ab initio*, as decided in **Owners of Motor Vessel “Lilian S” V Caltex Oil (K) Ltd, [1989] KLR I.**

9. The grounds on which this court’s jurisdiction are challenged are that:

- i. *The 2nd defendant being part of government, cannot be subjected to an order of injunction as sought by dint of section 16(1)(i) of the Government Proceedings Act (hereinafter the GPA), nor can the orders sought issue within the civil jurisdiction of this court;*
- ii. *The prayer sought under prayer 1 of the plaint cannot issue against the Registrar of Trade Marks.*
- iii. *The plaintiff lacks the necessary locus standi to institute the present suit and bring the application as he is not the trade mark owner.*

10. On the first issue, section 16(1)(i) of the GPA provides:

“In any civil proceedings by or against the Government the court shall, subject to the provisions of this Act, have power to make all such orders as it has power to make in proceedings between subjects, and otherwise

give such appropriate relief as the case may require:

Provided that—

(i) where in any proceedings against the Government any such relief is sought as might in proceedings between subjects be granted by way of injunction or specific performance, the court shall not grant an injunction or make an order for specific performance, but may in lieu thereof make an order declaratory of the rights of the parties.”

11. The GPA does not define ‘government’ for purposes of this section. As to whether the 2nd defendant ought to be considered as part of the government for this purpose, I have noted the submission by the 2nd defendant that the authority cited by the plaintiff in **Bob Thompson Dickens Ngobi V Kenya Ports Authority & Others, [2017] eKLR** does not relate to the application of section 16(1)(i) of the GPA.

12. While that may be true, the decision in the **Bob Thompson Dickens Ngobi case** is relevant to the present matter in so far as the Court considered the application of the GPA to state agencies, which see themselves as appendages of Government and

the extent to which the GPA applies to them. The court held at paragraph 11 that:

“A statutory corporation, unless the creating statute says otherwise, is not an appendage or department of the Government as contemplated under the Government Proceedings Act. One need not invite the application of the Government Proceedings Act when parliament in its own wisdom has spend [sic] time and public resources to enact a statute to regulate the body so desired to be created.”

13. This principle was upheld and reiterated by the Court of Appeal in **Kenya Revenue Authority V Habimana Sued Hemed & Another, [2015] eKLR** where the court stated:

“We hold the view that the Kenya Revenue Authority is not an organ of the Government as contemplated under the Government Proceedings Act. ... It is nonetheless an autonomous, corporate, statutory body specifically with power to sue and be sued. It would be ridiculous, nay, fallacious even, for one to imagine that KRA would be immunized, or shielded by the law against

issuance of injunctive orders against it, even where such orders are merited and may be necessary for preservation of property, and protection of peoples' fundamental rights as happens many times."

- 14.** Can the same be said of the 2nd defendant? Indeed yes. It is my view that the two decisions are in all fours with the present matter. The 2nd defendant is established under section 3 of the Anti-Counterfeit Act (hereinafter the ACA) as a body corporate and clothed with all the privileges of such corporate personality. It is clear, as was stated by the Court of Appeal, that the intention of parliament was to create the 2nd defendant, through an Act of Parliament, as an autonomous and accountable authority, to which obligations are bestowed and from whom accountability is required, without having to shield itself from such accountability by citing legal privileges.
- 15.** I am therefore in agreement with the plaintiff that the 2nd defendant cannot and should not be shielded by the law against issuance of injunctive orders against it. This ground of the preliminary objection fails.
- 16.** That said, the 2nd defendant is defined as an 'investigative agency' under section 2 of the Office of the Director of Public Prosecutions Act,

Cap. 6B. This is by virtue of being a Government entity mandated with criminal investigation role under the ACA. Having regard to this provision and the criminal offences created under section 32 of the ACA, I concur that the prohibitory injunction order against seizure or declaration that the plaintiff's goods are counterfeit, sought against the 2nd defendant cannot be issued in civil proceedings. This ground is therefore upheld.

17. The next issue for determination is whether this court lacks jurisdiction to grant prayer I of the plaint, directed at the Registrar of Trade Marks to register the trade mark "GIRASOL" in its name.

18. I start from the well-established jurisprudential pronouncement of the Supreme Court in **Samuel Kamau Macharia and Another V Kenya Commercial Bank and 2 Others, S.C. Civil Application No. 2 of 2011** that:

"A Court's jurisdiction flows from either the Constitution or legislation or both. Thus, a Court of law can only exercise jurisdiction as conferred by the Constitution or other written law. It cannot arrogate to itself jurisdiction exceeding that which is conferred upon it by law."

19. It is true as submitted by the plaintiff that the *Trade Marks Act* (hereinafter the TMA), defines ‘court’ under section 2 to mean the High Court. That in itself does not confer jurisdiction on the High Court over the Registrar who is the custodian of the register of trade marks under section 4 of the Act. A review of the Act clearly indicates that an application for registration of a trade mark ought to be made before the Registrar under section 20. By dint of section 44 of the Act, the Registrar is required to hear the parties in a dispute relating to trade marks before arriving at a decision.
20. The jurisdiction of the High Court to entertain and determine an appeal from the decision of the Registrar in respect to an opposition to registration of a Trade Mark is found in Section 21(6) to 21(10) of the TMA.
21. The plaintiff relies on the provisions of section 53, which provides for the procedure in cases of an option to apply to court or to the Registrar. It reads as follows:
- “Where under any of the foregoing provisions of this Act an applicant has an option to make an application either to the court or to the Registrar—**
- (a) if an action concerning in the trade mark in question is pending, the application shall be made to the court;**

(b) if in any other case the application is made to the Registrar, he may, at any stage of the proceedings, refer the application to the court, or he may after hearing the parties determine the question between them, subject to appeal to the court.”

- 22.** Section 53 effectively delineates the jurisdiction of the High Court and the Registrar of Trade Marks based on the status of the application and any pending actions. Under section 53(a), if there is an ongoing action concerning the trade mark in question, the application must be made to the court. This ensures that all related matters are handled by the court to maintain consistency and avoid conflicting decisions.
- 23.** Section 53(b) refers to other cases where the application can be made to the Registrar. My understanding of the Act is that the Registrar has the discretion to either refer the application to the court at any stage of the proceedings or determine the question after hearing the parties. However, any decision made by the Registrar is subject to appeal to the court.
- 24.** Going by this reasoning I hold the view that Section 53 of the Trade Marks Act only delineates the jurisdiction of the High Court

and the Registrar based on the status of the application and any pending actions. If there is no pending action, any application should be made to the Registrar, who has the discretion to refer the matter to the court if necessary. In the present case, strictly speaking, the suit and application having been filed contemporaneously means that there are no pending proceedings before this court to have warranted the plaintiff to bypass the Registrar.

25. Additionally, while section 53 confers dual jurisdiction, the doctrine of exhaustion is very much alive in our jurisprudence. Courts have time and again held that administrative remedies should be exhausted before seeking judicial intervention.

26. In this regard, I fully concur with the dicta expressed in **Sony Corporation V Sony Holding Limited, [2018] KEHC 6604 (KLR)**, (Tuiyott, J as he then was) that:

“It has to be remembered that the Registrar of Trademarks is a specialized quasi-Judicial Tribunal and so the Courts discretionary jurisdiction must be circumscribed so that some deference is given to the decision of the Tribunal. One object of setting up specialized Tribunals is that they will be constituted by persons who have

technical competence in their areas and a good appreciation of matters that come before them. Ordinarily therefore, short of a compelling cause, their appreciation of a dispute ought to be respected.”

- 27.** For this reason, I find the argument compelling that this court lacks jurisdiction to determine the suit and the application as the plaintiff has not exhausted the administrative mechanism set out under the Act. I will therefore halt any further discussion of this matter at this point.

Disposition

- 28.** Accordingly, the preliminary objection by the 2nd defendant is upheld. The suit and application dated 16th July 2024 are struck out for want of jurisdiction with costs to the defendants/respondents.

**DATED, SIGNED AND DELIVERED IN NAIROBI
THIS 14TH DAY OF FEBRUARY 2025.**

**F. MUGAMBI
JUDGE**