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THE TRADE MARKS ACT CAP 506 OF THE LAWS OF KENYA

AND

**IN THE MATTER OF TRADE MARK NO. KE/T/2008/63532 "MISTRESS" IN CLASS 5 IN
THE NAME OF AGRICARE EAST AFRICA LIMITED AND EXPUNGEMENT PROCEEDINGS
THERETO BY OSHO CHEMICAL INDUSTRIES LIMITED**

RULING BY ASSISTANT REGISTRAR OF TRADE MARKS

Background

On 27th June 2008 Agricare East Africa Limited (hereinafter referred to as "the Proprietors") filed an application to register their trade mark no. KE/T/2008/063532 "MISTRESS" (hereinafter referred to as "the mark") before the Registrar of Trade Marks. The application was filed in international class 5 of the International Classification of Goods and Services in respect of "Fungicide".

The Registrar duly examined the mark in accordance with the provisions of the Trade Marks Act, Cap 506 of the Laws of Kenya. On 6th July 2008, the mark was approved and published in the Industrial Property Journal of 31st August 2008, on page 50. Upon expiry of the sixty-day statutory period, the mark was entered in the Register of Trade Marks with effect from the said 27th June 2008 and a Certificate of Registration was issued. On 8th July 2009, Osho Chemical Industries Limited (hereinafter referred to as "the Applicants") filed an application for expungement of the mark.

The grounds of application were as follows:

1. We are aggrieved by the entry of TMA No 63532 "MISTRESS" in the Register of Trade Marks for the following reasons:
 - (a) That Osho Chemical Industries has been engaged in and is familiar with, the manufacture, marketing and sale of Fungicides by the name "MISTRESS".
 - (b) That Osho Chemical Industries Limited which is seeking to have the

name "MISTRESS" expunged from the records has registered the same with Pest Control Products Board (Registration number PCPB CR) 0738) and has been importing and marketing the same product since the year 2007.

- (c) That the applicant Osho Chemical Industries limited did apply for the registration of "MISTRESS" with the Pests Control Products Board some times during the year 2006.
- (d) That on 1st of July 2007 we received an official certificate from the Pest Control Products Board after having complied with the registration process.
- (e) The Applicant after receiving the certificate of the above product commenced an application for registration of a trade mark "MISTRESS" before the Registrar of Trade Marks.
- (f) That upon a search of trade marks being made prior to the application for the trade mark "MISTRESS", the Applicant was advised by the Registrar of Trade marks that a trade mark by the name "MISTRESS" was applied for and registered by the Respondent and the same is subsisting in the Register of Trade Marks, a certificate of Registration having been issued on 12th November 2008 vide TMA NO. 63532, for the same product.
- (g) The Respondent was actuated by malice in registering the trade mark "MISTRESS" as he did a similar mischief under the Applicant's trade mark "Agrofeed" by using his sister company Mis Agrichem & Tools Limited, who infringed on the applicants "Agrofeed" Trade mark by naming theirs as "Agrifeed". The Applicant went to court through High Court Civil Case number 247 of 2007 and won.
- (h) The registration of the Mark in favour of the Respondent has little or no intrinsic value to the products of the Respondent.
- (i) The Respondent's registration of the Mark was obtained through fraud and misrepresentation of facts and is therefore unlawful. Its use would be disentitled to protection in a court of justice in accordance with the provisions of section 14 of the Trade Marks Act.
- (j) That Osho Chemical Industries limited has extensively used the word "MISTRESS" as a trade mark of and in connection with the goods and products manufactured and the said trade mark denotes the goods manufactured by or having an origin from the Applicant and which distinguish the goods of the Applicant in the market.

- (k) The said product of the Applicant is identical or similar to the goods in respect of which the mark was registered in favour of the Respondent.
- (l) The Applicant is the proprietor and owner of the said trade mark "MISTRESS" and adopted the same in its trade name to distinguish its goods in the market and no other person's goods should be marketed using the said or similar trade mark.
- (m) In spite of the respondent having been in the business of manufacturing Fungicides for several years, it has never had the intention of registering the trade mark "MISTRESS" until only recently when they became aware that the Applicant has already registered the same product with the Pest Control Products Board and was about to seek registration with the Registrar of Trade Marks.
- (n) The registration of the Respondent's mark is malicious, made in bad faith and only calculated to cause deception and/or confusion of the Applicant's products and/or frustrate the Applicant's efforts to register a related or similar trade mark and is likely to confuse or mislead the members of the public as to the origin and source of the Respondent's product which is similar to the Applicant's trade name.
- (o) The trade mark, TMA NO. 63532 in favour of the Respondent was obtained fraudulently by the Respondent who deceived the Registrar of Trade Marks that the Respondent is the proprietor of the same in accordance with the provisions of the Trade Marks Act while the respondent knew that it had no actual, legal or valid claim to the said trade mark and that the Applicant is the only person with a legal and valid claim over the same.
- (p) In the view of the kind of product, which the Applicant is marketing, it is inconceivable that the respondent, who is in the same industry, was not aware of the existence and the intention of the Applicant to manufacture and launch fungicides and thereafter register a mark by the name of its trade name. Therefore the choice of the words "MISTRESS" by Respondent is actuated by malice, bad faith and was by no means merely coincidental.
- (q) The respondent is not entitled to the trade mark since as at the time of filing the request to expunge the Respondent's mark and this Statement, the Respondent did not have a Fungicide registered by Pest Control Products Board as required under the law by the name "MISTRESS" and has never used the Mark either before or after the registration of the mark and has never had bona fide intention of using

the Mark. Therefore the Respondent acted dishonestly, fraudulently and with mala fides in having the Mark registered.

- (r) The registration of the Mark by the Respondent was made for the sole purpose of stopping the Applicant from manufacturing, selling and distributing Fungicides, which is a business that the applicant has undertaken for a considerable period, so as to frustrate the Applicant. The said act constitutes unfair trade practices and unfair competition.
- (s) The registration for the Mark in favour of the respondent is contrary to Articles 6 sexes and bis of the Paris Convention for the Protection of Industrial Property 1880 which Kenya ratified on 14th June 1965 and section 14, 15, 20 and 35 of the Trade Marks Act.
- (t) The registration of the Mark should not remain in the register or be protected because its registration was and has been made with Malice.
- (u) The Applicant contends that the Respondents knew very well about the Applicant's product and the likelihood of the Applicant using its trade name on its products but cunningly sought to exploit the same by taking the unfair advantage in registering the Mark in an effort to frustrate the Applicant's business and thus the registration of the mark in favour of the Respondent is against public policy.
- (v) By the time it came to the attention of the Applicant that the respondent had irregularly applied for the registration of the mark, the same had already been registered in the Respondent's favour.
- (w) In spite of the demand having been made to the Respondent to surrender the mark, the Respondent has failed, refused and/or neglected to do so necessitating this application for expunging, varying or rectifying the Register of Trade Marks.
- (x) In view of the foregoing, the registration of the Respondent's trade mark, TMA NO. 63532, ought not to have been effected in light of the rights that the Applicant had accrued over the use of the word and/or name "MISTRESS".

3. Reasons wherefore the Applicant has sought the following relief:

- (a) THAT the registration of the Mark in the name of the Respondent be cancelled, removed, expunged and/or struck off the Register of Trade Marks pursuant to the provisions of Rule 82(1) of the Trade Mark Rules

and section 35 (1), (2) & (5) of the Trade Marks Act.

(b) THAT the costs of these proceedings be awarded the Applicant; and

(c) THAT any other relief that the Registrar may, at his discretion, deem fit to grant.

The application was duly forwarded to the Proprietors who on 19th August 2009 filed their Counter-Statement. The Proprietors stated the following as the grounds on which they would rely in support of their registration:

1. The Applicant's claim is misconceived and bad in law. As a user of an unregistered trade mark, the Applicant cannot seek the alleged or any protection, and is barred from seeking such protection by virtue of Section 5 of the Trade Marks Act (hereinafter referred to as "the Act").
2. The Applicant's claim is an after thought, it is tainted with malice, and is made with intention to destroy the Respondent's business.
3. The Respondent's intention to register the Trade Mark "MISTRESS" (hereinafter referred to as "the Mark") was duly advertised at page 50 of the Industrial Property Journal dated the 31st August 2008 (copy attached and marked "AEAI"). By the said advertisement, any person who had grounds of opposition to the registration of the Mark was required to lodge a notice of opposition within 60 days and to pay a fee of Kshs. 5,000/-. The Applicant failed either to lodge a notice of opposition or to pay the fee of Kshs. 5,000/= within the prescribed period or at all. Consequently the Applicant is deemed to have had no objection to the registration of the Mark, and the present Application is an exercise to frustrate the Respondent's business and the Respondent's use of the Mark.
4. The Respondent has no link whatsoever with a company known as "Agrichem & Tools Limited". The Respondent is a duly registered business operated by two partners, namely SHAMEEN ZULEIKAR KERAWALA and MAHEBOOB AZIZ KARMALI. The Respondent is not responsible for the alleged or any acts of the said company known as Agrichem & Tools Limited.

5. The Applicant is not an "aggrieved person" within the meaning of the Trade Marks Act (Cap 506) (hereinafter referred to as "the Act") as alleged by the Applicant or at all and puts the Applicant to strict proof thereof. Consequently the Applicant does not have locus standi to make application in terms of Section 35 of the Act or Rule 82 of the Rules made thereunder.
6. The Respondent is not guilty of the alleged or any mischief. On the contrary, it is the Application, which is mischievous and intended to frustrate lawful business of the Respondent.
7. Until the time of the service of the Application upon the Respondent, the Respondent was not aware of the purported use of the name "MISTRESS" by the Applicant. If that were not the case, the Respondent would have taken immediate action against the Applicant for infringement of its Trade Mark. The Respondent's first named Partner, Shameen Zuleikar Kerawala is a new entrant to Kenya from India. The Respondent's second named Partner Maheboob Aziz Karmali is also an Indian national and resides outside Kenya. Annexed hereto is a duly Photostatted marked "AEA2" of the relevant Certificate of Registration dated the 6th November 2008.
8. Registration of a name with the Pest Control Products Board is not intended for protection of that name as a Trade Mark. Therefore, the Applicant's alleged registration of the name "MISTRESS" with the said Board is of no consequence whatsoever for the purposes of the Act.
9. At any rate, if the Applicant received its registration certificate for the said name from the Pest Control Products Board on the 1st July 2007 as alleged, it is not clear why the Applicant did not make any effort at all to immediately register the same as a Trade Mark, particularly when the Applicant was (as alleged at paragraph 2(u) of the Statement of Claim) extensively using the name "MISTRESS" in connection with its products.
10. If the Applicant wanted to protect the use of the name "MISTRESS" it should have registered the same as a trade mark and not waited for its purported intention to register until after the Respondent had registered the said name as a Trade Mark.

11. At paragraph 2(g) of the Statement of Claim the Applicant, has dragged a matter of which the Respondent has no knowledge whatsoever. The Respondent has no link whatsoever with the alleged company known as Agrichem & Tools Limited and it is not responsible for the alleged or any acts of the said Agrichem & Tools Limited.
12. In alleging that the Mark has little or no intrinsic value to the products of the Respondent, the Applicant does not seem to understand or appreciate the legal purport and effect of registration of a Trade Mark. In terms of Section 7(l) of the Act, the Respondent is the lawful proprietor of the Mark with exclusive right to use the same as and when it decides to use it. No one can compel the Respondent to either use the Mark immediately or to give it up.
13. The Respondent is a newly established business whose one partner is still outside the country. The Respondent has not yet started effective operations of its trade but its proprietors have every intention to use the Mark in the near future when the firm's activities are due to be fully operational. In the meantime, the Respondent has no intention whatsoever to give up the Mark, and the Respondent cannot be compelled in law to either make immediate use of the Mark or give it up. On the contrary, the Respondent intends to shortly commence infringement proceedings against the Applicant for using the Respondent's Mark.
14. The principal of "First Come First Served" applies in respect of all kinds of registrations. That is fair and equitable. The Applicant should accept that it was guilty of delay, since there was nothing whatsoever to prevent it from first registering the Mark in its favour with the Trade Marks Registry prior to moving to the Pest Control Products Board for registration.
15. The Application is not genuine. The Applicant has registered as Trade Marks other names that the Applicant has been using in connection with its products (e.g. "POTPHOS" registered in Class 1). It is therefore not understandable why the Applicant did not take immediate steps to register the name "MISTRESS" in its favour as a Trade Mark despite the alleged extensive use of the said name by the Applicant in connection with its products. The only logical

conclusion that one can draw from this is that the Application is actuated by malice, ill motive and fear of competition.

16. If the Applicant feels that there is likelihood of there being a confusion between the Applicant's and Respondent's products, the Applicant should stop immediate use of the Mark and adopt some other name for its product. In any case, the Applicant's continued use of the Mark is unlawful as it infringes upon the proprietary right of the Respondent.
17. The Respondent denies that the Applicant is the proprietor and owner of the Mark as alleged at paragraph 2(1) of the Statement of Claim or at all and puts the Applicant to strict proof thereof. The Applicant's continuous insistence of being a true owner of the Mark, despite non-registration of the same in the Applicant's favour, clearly exhibits the hostility on the part of the Applicant towards the Respondent's business affairs.
18. The Respondent, which was registered as a Business Name under the Registration of Business Names Act on the 8th July 2007, was and still is, so to speak, in its "infant" stage. The Applicant on the other hand was during the said year, and still is, a fully established and fully operational "giant", so to speak, with full opportunity to register any name as a trade mark in its favour as it deems appropriate. Despite this obvious advantage, the Applicant failed to register the name "MISTRESS" as a trade mark in its favour. The only conclusion one can draw from this state of affairs is that the present belated Application is aimed at crushing and rooting out a potential competitor who is still in its infantile stage and struggling to commence its operations. This Tribunal cannot allow such an application, which is clearly tainted with malice, to succeed.
19. The Respondent admits that it caused the name "MISTRESS" to be registered as a trade mark in its favour, but denies that the same was actuated by malice or any improper motive as alleged or at all. The alleged or any competition or unfair competition is non-existent as the Respondent has not even commenced using the Mark. In fact the Respondent's operations, if any, are in their rudimentary stage.

20. The Registration of the Mark by the Respondent is wholly lawful and valid as it does not offend against any of the provisions of the Trade Marks Act nor was such registration obtained by fraud, irregularity, misrepresentation, bad faith or dishonesty as alleged or at all. The registration has been in existence for over a year, having been duly registered on the 27th June 2008. Annexed hereto is a duly Photostatted copy marked "AEA3" of the relevant Certificate of Registration of Trade Mark dated the 12th November 2008.
21. The Respondent denies that the Applicant ever demanded the surrender of the Mark as alleged at paragraph 2(w) of the Statement of Claim or at all and puts the Applicant to strict proof thereof.
22. The Respondent has a right to register its Mark with the Pest Control Products Board whenever it desires to do so. The Respondent's intention not to register the same immediately with the said Board cannot amount to malice or improper motive.
23. The Applicant knows or ought to know that the Paris Convention for Protection of Industrial Property 1880, as ratified by the Kenyan Government on the 14th June 1965, has no relevance whatsoever to the present matter which is wholly devoid of any international dimension whatsoever.
24. All in all the Application is wholly unmeritorious and spurious.

The Counter Statement was forwarded to the Applicants who on 17th November 2009 filed their statutory declaration sworn by Manoj Shah, the Managing Director of the Applicants who declared as follows:

1. THAT in response to paragraph 1 of SHAMEEN Z. KRAWALA's counterstatement, I am informed by my advocates on record that the allegation that my application is bad in law is untrue as I have complied with all the legal requirements as per the Fourth Schedule of Trade Mark Rules.
2. That in response to paragraphs 2 and 9 of SHAMEEN Z. KRAWALA Counter Statement I wish to state that a trade mark is used to identify a product and since Ms AGRICARE EAST AFRICA does not have a product by the name 'MISTRESS' the Registrar has the power to take it out of the Register.

3. In response to paragraph 4 of the Counter Statement we state that failure to lodge an objection before the registration is not a ground to stop an aggrieved party from seeking redress through an application for expungement proceedings.
4. That paragraph 6 of the Respondent's Counter Statement is untrue in that the allegation that the Applicant is not an aggrieved party is based on misinterpretation of section 35 of the Act and rule 82 of the Trade Mark Rules since the Applicant has been manufacturing and using the trade mark to market its product.
5. THAT paragraph 16 of the Respondent's Counter Statement is untrue and the Applicant puts the Respondent to strict proof thereof.
6. The Respondent's claim under paragraph 13 of the Counter Statement misinterpretation of the law in that under section 29(1) of the Act and the Registrar has the power to take off the Register a registered mark in respect of which the trade mark was registered without any bonafide intention to use it.
7. That I am advised by my advocates on record which advice I verily believe to be true that a trade mark is used to identify a product and since MS AGRICARE EAST AFRICA do not manufacture or market any product by the name "MISTRESS", we should be allowed to continue using the name as we already have a product identified by the name "MISTRESS".
8. That I pray that the counterstatement by MS AGRICARE EAST AFRICA be dismissed with costs.
9. That I pray that the Registrar of Trade Marks do apply the principle of "prior use" to determine who should be allowed to use the trade mark 'MISTRESS'.

The Statutory Declaration was duly forwarded to the Proprietors who on 15th December 2009 filed their Statutory Declaration. The Statutory Declaration was sworn by Shameen Z. Kerawala, the Managing Partner of the Proprietors who declared as follows *inter alia*:

1. **THAT** I repeat and reiterate the contents of the Respondent's counterstatement dated the 18th August 2009 in opposition to the Application dated the 6th July 2009 ("the Application") filed by

OSHO CHEMICAL INDUSTRIES LIMITED ("the Applicant").

2. **THAT** I have been advised by my lawyers, Ms Mohamed & Samnakay Advocates ("my lawyers") and verily believe the same to be true that the Application is bad in law in that it is not made in the prescribed form as required under Rule 82(1) of the Trade Marks Rules. The Application though marked as "Form TM 25", is not in conformity with the Form TM 25 as prescribed under the Fourth Schedule to the Trade Marks Rules. Consequently I verily believe that the Application should be struck out and dismissed with costs.
3. **THAT** I am further advised by my lawyers and verily believe the same to be true that the Applicant's claim is misconceived and bad in law. As a user of an unregistered trade mark, the Applicant cannot seek the alleged or any protection, and is barred from seeking such protection by virtue of Section 5 of the Trade Marks Act (hereinafter referred to as "the Act").
4. **THAT** I verily believe that the Applicant's claim is an after thought, it is tainted with malice, and is made with intention to destroy the Respondent's business.
5. **THAT** the Respondent's intention to register the Trade Mark "MISTRESS" (hereinafter referred to as "the Mark") was duly advertised at page 50 of the Industrial Property Journal dated the 31st August 2008 (copy attached and marked "AEA1 "). By the said advertisement, any person who had grounds of opposition to the registration of the Mark was required to lodge a notice of opposition within 60 days and to pay a fee of Kshs. 5,000= . The Applicant failed either to lodge a notice of opposition or to pay the fee of Kshs. 5,000= within the prescribed period or at all. Consequently the Applicant is deemed to have had no objection to the registration of the Mark, and I verily believe that the present Application is an exercise to frustrate the Respondent's business and the Respondent's use of the Mark. The failure on the part of the Applicant to lodge an objection at the time of advertisement remains unexplained.
6. **THAT** the Respondent has no link whatsoever with a company known as "Agrichem & Tools Limited". The Respondent is a duly registered namely myself and my partner, MAHEBOOB AZIZ KARMAJI. The Respondent is not responsible for the alleged or any

acts of the said company known as Agrichem & Tools Limited.

7. **THAT** I am advised by my lawyers and verily believe the same to be true that the Applicant is not an "aggrieved person" within the meaning of the Trade Marks Act (Cap 506) (hereinafter referred to as "the Act") as alleged by the Applicant or at all. Consequently the Applicant does not have locus standi to make application in terms of Section 35 of the Act or Rule 82 of the Rules made thereunder.
8. **THAT** the Respondent is not guilty of the alleged or any mischief. On the contrary, it is the Application, which is mischievous and intended to frustrate lawful business of the Respondent.
9. **THAT** Until the time of the service of the Application upon the Respondent, neither I nor my said partner was aware of the purported use of the name "MISTRESS" by the Applicant. If that were not the case, we would have taken immediate action against the Applicant for infringement of our Trade Mark.
10. **THAT** I am a new entrant to Kenya from India. My said Partner is also an Indian national and resides outside Kenya. Annexed hereto is a duly photostatted marked "AEA2" of the relevant Certificate of Registration dated the 6th November 2008.
11. **THAT** I have been advised by my lawyers and verily believe the same to be true that registration of a name with the Pest Control Products Board is not intended for protection of that name as a Trade Mark. Therefore, the Applicant's alleged registration of the name "MISTRESS" with the said Board is of no consequence whatsoever for the purposes of the Act.
12. **THAT** if the Applicant received its registration certificate for the said name from the Pest Control Products Board on the 1st July 2007 as alleged, it is not clear why the Applicant did not make any effort at all to immediately register the same as a Trade Mark, particularly when the Applicant was (as alleged at paragraph 20) of the Statement of Claim) extensively using the name "MISTRESS" in connection with its products.
13. **THAT** I verily believe that if the Applicant wanted to protect the use of the name "MISTRESS" it should have registered the same as a

trade mark and not waited for its purported intention to register until after the Respondent had registered the said name as a Trade Mark.

14. **THAT** at paragraph 2(g) of the Statement of Claim, the Applicant has dragged a matter of which neither I nor my said Partner has any knowledge whatsoever. The Respondent has no link whatsoever with the alleged company known as Agrichem & Tools Limited and it is not responsible for the alleged or any acts of the said Agrichem & Tools Limited.
15. **THAT** I have been advised by my lawyers and verily believe the same to be true that in alleging that the Mark has little or no intrinsic value to the products of the Respondent, the Applicant does not seem to understand or appreciate the legal purport and effect of registration of a Trade Mark. In terms of Section 7(1) of the Act, the Respondent is the lawful proprietor of the Mark with exclusive right to use the same as and when it decides to use it. No one can compel the Respondent to either use the Mark immediately or to give it up.
16. **THAT** the Respondent is a newly established business whose one partner is still outside the country. The Respondent has not yet started effective operations of its trade but its proprietors have every intention to use the Mark in the near future when the firm's activities are due to be fully operational. In the meantime, my said Partner and I have no intention whatsoever to give up the Mark, and we cannot be compelled in law to either make immediate use of the Mark or give it up. On the contrary, we intend to shortly commence infringement proceedings against the Applicant for using our Mark.
17. **THAT** I verily believe that the principle of "First Come First Served" applies in respect of all kinds of registrations. That is fair and equitable. The Applicant should accept that it was guilty of delay, since there was nothing whatsoever to prevent it from first registering the Mark in its favour with the Trade Marks Registry prior to moving to the Pest Control Products Board for registration.
18. **THAT** I verily believe that the Application is not genuine. The Applicant has registered as Trade Marks other names that the Applicant has been using in connection with its products (e.g.

"POTPHOS" registered in Class 1). It is therefore not understood why the Applicant did not take immediate steps to register the name "MISTRESS" in its favour as a Trade Mark despite the alleged extensive use of the said name by the Applicant in connection with its products. The only logical conclusion that one can draw from this is that the Application is actuated by malice, ill motive and fear of competition.

19. **THAT** if the Applicant feels that there is likelihood of there being a confusion between the Applicant's and Respondent's products, the Applicant should stop immediate use of the Mark and adopt some other name for its product. In any case, I have been advised by my lawyers and verily believe the same to be true that the Applicant's continued use of the Mark is unlawful as it infringes upon the proprietary right of the Respondent.
20. **THAT** I deny that the Applicant is the proprietor and owner of the Mark as alleged at paragraph 2(1) of the Statement of Claim or at all. The Applicant's continuous insistence of being a true owner of the Mark, despite non-registration of the same in the Applicant's favour, clearly exhibits the hostility on the part of the Applicant towards the Respondent's business affairs.
21. **THAT** the Respondent, which was registered as a Business under the Registration of Business Names Act on the 8th July 2007, was and still is, so to speak, in its "infant" stage. The Applicant on the other hand was during the said year, and still is, a fully established and fully operational "giant", so to speak, with full opportunity to register any name as a trade mark in its favour as it deems appropriate. Despite this obvious advantage, the Applicant failed to register the name "MISTRESS" as a trade mark in its favour. The only conclusion one can draw from this state of affairs is that the present belated Application is aimed at crushing and rooting out a potential competitor who is still in its infantile stage and struggling to commence its operations. I verily believe that this Tribunal cannot allow such an application, which is clearly tainted with malice, to succeed.
22. **THAT** I admit that I caused the name "MISTRESS" to be registered as a trade mark in my firm's favour, but deny that the same was actuated by malice or any improper motive as alleged or at all. The alleged or any competition or unfair competition is non-existent as

the Respondent has not even commenced using the Mark. In fact the Respondent's operations, if any, are in their rudimentary stage.

23. **THAT** the Registration of the Mark by the Respondent is wholly lawful and valid as it does not offend against any of the provisions of the Trade Marks Act nor was such registration obtained by fraud, irregularity, misrepresentation, bad faith or dishonesty as alleged or at all. The registration has been in existence for over a year, having been duly registered on the 27th June 2008.
24. **THAT** I deny that the Applicant ever demanded the surrender of the Mark as alleged at paragraph 2(w) of the Statement of Claim or at all.
25. **THAT** I verily believe that the Respondent has a right to register its Mark with the Pest Control Products Board whenever it desires to do so.
26. The Respondent's intention not to register the same immediately with the said Board cannot amount to malice or improper motive.
27. **THAT** I have been advised by my lawyers and verily believe the same to be true that the Paris Convention for Protection of Industrial Property 1880, as ratified by the Kenyan Government on the 14th June 1965, has no relevance whatsoever to the present matter which is wholly devoid of any international dimension whatsoever.
28. **THAT** in response to paragraph 5 of the Statutory Declaration of Manoj Shah dated the 17th November 2009, I repeat and reiterate the contents of paragraph 19 hereof and attach herewith a duly Photostatted copy, marked "AEA4" of a letter dated the 21st June 2008 issued by the Registrar of Trade Marks clearly indicating that the Trade Mark "POTPHOS" has been registered in the name of the Applicant, Osho Chemical Industries Limited.
29. **THAT** I verily believe that the Application is wholly unmeritorious and spurious and it should be dismissed with costs.

The Statutory Declaration was forwarded to the Applicants who did not file a Statutory Declaration In Reply. The parties fixed a hearing date for the matter and thereafter agreed that the matter would proceed by way of written submissions.

Ruling

I have considered the application made herein by the Applicants and the counter-statement filed by the Proprietors together with the evidence adduced by both parties herein by way of their respective statutory declarations. I have also considered the written submissions made by Kinoti & Kibe Co. Advocates for the Applicants and Ms Mohamed & Samnakay Advocates for the Proprietors. I am of the view that the following are the issues that should be determined in these expungement proceedings:

- 1. Who between the Proprietors and the Applicants have a better valid and legal claim to the mark "MISTRESS"?**
- 2. Are the Applicants aggrieved persons in accordance with the provisions of section 35 of the Trade Marks Act?**

The following is a consideration of each of the said issues:

- 1. Who between the Proprietors and the Applicants has a valid and legal claim to the mark "MISTRESS"?**

The Applicants' case is that they are the rightful owners of the trade mark "MISTRESS" which they adopted for use in respect of "fungicide" in the Kenyan market. They claim to have registered their product with the Pest Control Products Board by the said name "MISTRESS" and have used the said trade mark in Kenya for several years. On the other hand, the Proprietors claim that they are the true owners of an identical trade mark which has already been entered in the Register of Trade Marks in Kenya in respect of "fungicide". It is apparent that the Applicants and the Proprietors are both laying a claim to the mark "MISTRESS" in respect of identical goods in the Kenyan market. It is therefore imperative that the person who has a valid and legal claim to the mark "MISTRESS" should be determined from the outset.

Section 20(1) of the Trade Marks Act states as follows:

"A person claiming to be the proprietor of a trade mark used or proposed to be used by him who is desirous of registering it shall apply in writing to the Registrar in the prescribed manner for registration either in Part A or in Part B of the Register."

The learned author of the book Kerly's Law on Trade Marks, 12th Edition, on page 28 paragraph 4-02 states *inter alia*:

"...it would seem to be settled that the claim must be in some sense a justified one, if the registration is to stand; whether by virtue of the section or under its

general jurisdiction, the court will expunge a registration if the applicant for it could not in good faith make this claim".

In the Vitamins Trade Marks Case [1956] RPCI Justice Lloyd stated as follows on page 11, *inter alia*:

"There are two matters which I have felt right to take into consideration upon this aspect of the case. The first one is the propriety or otherwise of the action of the applicants in making the application which they made for registration. By the rules, which have the force of the statute, it is provided that applications of this character shall be made upon Form TM 2 which requires that an application for registration should assert, in the case of a mark which has not yet been the subject matter of use in trade that it is proposed and that the applicant is claiming to be the proprietor thereof....

A proprietary right in a mark sought to be registered can be obtained in a number of ways. The mark can be originated by a person or can be acquired, but in all cases it is necessary that the person putting forward the application should be in possession of some proprietary right which, if questioned, can be substantiated."

Prior to making an application for registration of a mark with the Registrar of Trade Marks, an Applicant must have a valid and legal claim as the proprietor or owner of such a mark. The Applicant must also be able to show that the mark under consideration can act as a badge of origin for the respective goods or services. The aforementioned learned author of the book Kerly's Law on Trade Marks, 14th Edition, states as follows on page 8 paragraph 2-002:

"A trade mark is (or should be) a badge of origin. In other words, it indicates the source of the trade origin of the goods or services in respect of which it is used. A trade mark may do other things as well, but it must act as a badge of origin."

Upon receiving an application to register a mark, the Registrar of Trade Marks examines the same and has to be satisfied that the same is distinctive and adapted to distinguish the goods or services of the Applicant in accordance with the provisions of section 12 of the Trade Marks Act. Section 12(3) of the Act provides as follows:

"In determining whether a trade mark is adapted to distinguish, the court or the Registrar may have regard to the extent to which
(a) the trade mark is inherently adapted to distinguish; and
(b) by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact adapted to distinguish."

The Proprietors adopted for use the mark "MISTRESS" to distinguish their goods, that is, "fungicides" in the Kenyan market. Subsequently, on 27th June 2008 the Proprietors made an application before the Registrar of Trade Marks to register the same under class 5 of the International Classification of Goods and Services for Purposes of Registration of Marks. Registration of the Applicants' mark was effected from the said 27th June 2008. However, as indicated in the Applicants' Statement of Case and the Statutory Declaration, the Applicants had by the year 2006 obtained registration of their product bearing the mark "MISTRESS" with the Pest Control Products Board. The Applicants had also commenced trade with products bearing the said mark "MISTRESS" in the Kenyan market by the year 2007. Having adapted a mark that is identical to the Applicants' mark for registration in respect of goods that are identical to those of the Applicants, then the Proprietors cannot be said to have a valid and legal claim to the mark "MISTRESS" under the provisions of section 20(1) of the Trade Marks Act. As stated by the learned author of the book Kerly's Law on Trade Marks in the paragraphs quoted herein above, I am not convinced that the Proprietors can make a claim to the mark in good faith. The Proprietors also state that they were the first to make an application to register the mark "MISTRESS" and that on the basis of "first come first served", their mark should not be expunged from the Register of Trade Marks. The Proprietors confirm that they have not used the mark "MISTRESS" in the Kenyan market and are of the view that this fact should not be used against them in the current expungement proceedings. I am aware that the said proceedings have not been filed under section 29 of the Trade Marks Act, which provides for expungement of a mark for non-use. However, it is important to note that for trade marks, the principle of "first to file" does not apply. Trade marks are adopted or created for commercial purposes and it is the person who uses the mark commercially in the respective market that would be said to have a proprietary right to the mark.

On the other hand, I am of the view that the Applicants have a valid and legal claim to the mark "MISTRESS" for the reason that they have a valid registration with the Pest Control Products Board and it is apparent that they have been using their mark in the Kenyan market since the year 2007.

2. Are the Applicants aggrieved persons in accordance with the provisions of section 35 of the Trade Marks Act?

Section 35 (1) of the Trade Marks Act provides as follows:

"Any person aggrieved by the non-insertion in or omission from the register of an entry, or by any entry made in the register without sufficient cause, or by any

entry wrongly remaining on the register, or by any error or defect in any entry in the register, may apply in the prescribed manner to the court or, at the option of the applicant and subject to the provisions of section 53, to the Registrar, and the court or the Registrar may make such order for making, expunging or varying the entry as the court or the Registrar may think fit."

The Applicants claim to be an aggrieved person for the following reasons:

- (a) The Applicants are the owners of the trade mark "MISTRESS" in Kenya and have used the said mark in respect of fungicide, identical goods as those in respect of which the Proprietors' have registered an identical mark, MISTRESS";
- (b) In 2006, the Applicants obtained registration of their product bearing the mark "MISTRESS" with the Pest Control Products Board; and
- (c) The Applicants have used the mark "MISTRESS" for fungicide in the Kenyan market since the year 2007.

On the other hand, the Proprietors state that the Applicants are not aggrieved because:

- (a) The Proprietors were the first to make an application for registration of the mark in Kenya; and
- (b) Having filed an application to register the application for registration of the mark "MISTRESS", which was approved, published and registered without opposition proceedings being filed, the Proprietors have a right to the mark and the Applicants cannot qualify as aggrieved persons under the law.

The learned author of the book Kerly's Law on Trade Marks and Trade Names, Tenth Edition, states as follows on page 203, paragraph 11-02-

"The persons who are aggrieved are ... all persons who are in some way or other substantially interested in having the mark removed ...from the Register; including all persons who would be substantially damaged if the mark remained, and all the trade rivals over whom an advantage was gained by a trader who was getting the benefit of a registered trade mark to which he was not entitled".

In the UK case referred to as *Powell v The Birmingham Vinegar Brewery Co Ltd*, Lord Herschell stated as follows:

"I should be very unwilling unduly to limit the construction to be placed upon [the words 'person aggrieved'], because, although they were no doubt inserted to prevent officious interference by those who had no interest at all in the register being correct and to exclude a mere common informer, it is undoubtedly of public interest that they should not be unduly limited, inasmuch as it is a public mischief that there should remain upon the register a mark which ought not to be there, and by which many persons may be affected who nevertheless would not be willing to enter upon the risks and expense of litigation. Wherever it can be shown, as here, that the applicant is in the same trade as the person who has registered the trade mark, and wherever the trade mark if remaining on the register would or might limit the legal rights of the applicant so that by reason of the existence of the entry upon the register he could not lawfully do that which but for the appearance of the mark upon the register he could lawfully do, it appears to me that he has a locus standi to be heard as a 'person aggrieved'."

In the Australian case referred to as *Health World Ltd v Shin-Sun Australia Pty Ltd*, the Court stated as follows:

... the legislative scheme reveals a concern with the condition of the Register of Trade Marks. It is a concern that it have "integrity" and that it be "pure". It is a "public mischief" if the Register is not pure, for there is "public interest in [its] purity". The concern and the public interest, viewed from the angle of consumers, is to ensure that the Register is maintained as an accurate record of marks which perform their statutory function – to indicate the trade origins of the goods to which it is intended that they be applied. This concern and this interest are reflected in the following scheme. If an application is made to have a mark registered which does not meet the criteria for registration, there are two opportunities for registration to be prevented. And if a mark has been registered which does not meet the criteria for remaining on the Register, a further opportunity exists to have the Registrar adjust it.

... While the Act offers these facilities for ensuring that the Register is pure in the sense that no mark is to be registered unless valid, and no registration of a mark is to continue if it is not valid, the purpose of ensuring purity exists alongside another purpose. That is the purpose of preventing the security of the Register from being eroded by applications for rectification or removal by busybodies or "common informers or strangers proceeding wantonly" or persons without any interest in the Register or the functions it serves beyond gratifying an intellectual concern or reflecting "merely sentimental motives". Applications of that kind, by clogging up and causing delay in the courts, would cause an unnecessary cloud to hang over registrations. ... Applications by persons who are not

aggrieved are positively inimical to the fulfilment of the statutory purposes through the Register."

In the case of "Daiquiri Rum" Trade Mark Lord Pearce stated as follows:

"If an erroneous entry gives to his rival a statutory trade advantage which he was not intended to have, any trader whose business is, or will probably be, affected thereby is 'aggrieved' and entitled to ask that the error should be corrected."

In the Kenyan case of Saudi Arabia Airlines Corporation V Saudia Kenya Enterprises Limited, the Court of Appeal stated as follows:

... it is clear that Saudi Arabia Airlines Corporation was substantially interested in having each mark removed from the Register. And its interests would probably be damaged if these marks remained on it as those of Saudia Kenya Enterprises Limited.

And it is certain that as rival travel promoters, in Kenya, assuming they are for the moment, Saudia Kenya Enterprises Limited would be gaining an advantage from these registered trade marks as its own which would be wrong if it were not entitled to them and certainly qualify Saudi Arabia Airlines Corporation as an aggrieved person for the purpose of section 35 of the Act."

After considering all the relevant circumstances of these expungement proceedings, I am of the view that the Applicants are aggrieved persons under the provisions of the Trade Marks Act for the following reasons:

- (a) I have already considered the issue of who between the Applicants and the Proprietors has a valid and legal claim to the mark "MISTRESS" in respect of "fungicides" in the Kenyan market. I have determined that the Applicants have a valid and legal claim to the mark. However, the Applicants cannot have their mark entered in the Register of Trade Marks as long as the aforementioned TMA No. KE/T/2008/63532 "MISTRESS" that has been registered in the name of the Proprietors subsists in the said Register of Trade Marks;
- (b) It is apparent that the Applicants herein have used the mark in the Kenyan market for a number of years now in respect of goods of an identical description as those in respect of which the Proprietors' mark "MISTRESS" was entered in the Register of Trade Marks; and

- (c) I am of the view that the Applicants have an interest in seeking to ensure the purity of the Register of Trade Marks and I am convinced that the Applicants are not mere busy bodies.

I do not agree with the contention of the Proprietors that the Applicants are not aggrieved persons because they did not oppose registration of the Proprietors' mark. Like it was stated in the aforementioned case of Health World Ltd v Shin-Sun Australia Pty Ltd, the law on trade marks allows a person who did not get an opportunity to oppose a mark to rectify the Register. This is the opportunity that the Applicants herein are utilizing.

Conclusion

- (a) For the above-mentioned reasons, I have come to the conclusion that the Applicants have succeeded in these expungement proceedings;
- (b) I hold that the Proprietors' trade mark TMA No. KE/T/2008/63532 "MISTRESS" was entered in the Register of Trade Marks without sufficient cause and in error since the Applicants were not entitled to the same;
- (c) The Register of Trade Marks is hereby rectified by expunging the said TMA NO. TMA No. KE/T/2008/63532 "MISTRESS" from the Register under the provisions of section 35 of the Trade Marks Act; and
- (d) I award the costs of these expungement proceedings to the Applicants.

Eunice Njuguna
Assistant Registrar of Trade Marks

6th Day of May 2013

I certify that this is a true copy of the original.


Eunice Njuguna
Assistant Registrar of Trade Marks

6th Day of May 2013