



REPUBLIC OF KENYA
IN THE INDUSTRIAL PROPERTY TRIBUNAL

AT NAIROBI

IPT CASE NO.70 OF 2015

IN THE MATTER OF AN APPLICATION FOR INFRINGEMENT RELIEF FOR INDUSTRIAL
DESIGN NO 510

BETWEEN

ACME CONTAINERS LIMITED.....APPLICANT

VERSUS

BLOWPLAST LTD.....RESPONDENT

RULING

1) Before us is a request dated 6th August, 2015 by ACME Containers Ltd (hereinafter the applicant). The request is brought under section 106 of the Industrial Property Act 2001 (hereinafter the Act) and seeks the following reliefs against m/s Blow Plast Ltd (hereinafter the respondent).

1. An injunction to prohibit continuation of the infringement.
2. An order directing destruction of all stocks of the infringing product
3. And order directing destruction of the mold for the making of the infringing product
4. Damages (to be assessed)
5. Costs of proceedings
6. Interest on (4) and (5) above.

2) The request is in the nature of infringement proceedings and the basis upon which the request is made and relief sought can be gleaned from

both the request; Form IPT 16 and the statement of facts filed therewith. Basically the requestor's case is that its Industrial Design No. 510 first registered on 4th December, 2008 and renewed on 13th October, 2014 whose key element or distinguishing feature is a recessed and machine fitted tap has been infringed by the Respondent.

3) The Respondent has denied and opposed the applicant's claim in a reply/counter statement to the request dated 8th September, 2015 and filed with the Tribunal on 6th October, 2015, which sets the following grounds of opposition.

1. The Respondent's Industrial design No. 794 is duly registered by Kenya Industrial Property Institute dated 15th May, 2015.
2. Due diligence was conducted before registration of the same in the Respondent's name.
3. The Respondent's Industrial Design No. 794 is different from the Industrial Design No. 510 in the name of the Applicant that in the get up is totally different. Our statement of Novelty is a bucket with stripes at the bottom with a step up, whilst the Applicant's statement of Novelty is a liquid container with a recessed tap.
4. The industrial design No. registered as design No. 510 is not new/novel as envisaged under section 86(1) of the Industrial Property Act, 2001.
5. The recessed tap as an Industrial design is not a novel idea as it has been used as a feature to achieve a technical result in the manufacturing of buckets in other parts of the world prior to the year 2008.

6. The applicant's Industrial Design has been in use and not envisaged by section 86(2) of the Industrial Property Act.
 7. The Respondent has not infringed on the Industrial Design No. 510 belonging to the Applicant/Requestor.
- 4) In addition to opposing the grant of the reliefs sought by the applicant/Requestor the Respondent claims it has lost business consequent to the present proceedings and seeks
 - a) Damages for loss of business (to be assessed by the Tribunal)
 - b) Costs of the proceedings
 - c) Interests on (a) and (b) above
 - 5) The parties have amplified their divergent and opposed positions in their respective statutory declarations – in the case of the Applicant – see the declaration by Mr. Mukesh Shah a director sworn on 18th November, 2015 and 5th April, 2015 in the case of the Respondent see the Statutory Declaration of Mr. Sanjay BrahmBhatt the group chief executive officer dated 16th February, 2016.
 - 6) The parties gave oral testimony through their witnesses and tendered documents and other exhibits (buckets) at the trial in a bid to persuade us to find merits in their respective cases.
 - 7) Mr. Mukesh D. Shah testified for the applicant. He said that the applicant has a registered feature namely -(a liquid container with a recessed tap). under design No. 510 which the other company i.e Blow Plast Ltd has copied.
 - 8) The initial registration of the design was in 2008 and renewed in 2014 and this renewal was advertised in the nation and standard newspapers. The tap is machine fitted and the recessed feature aids in transportation because the buckets can easily be stacked into each other. The tap is leak proof. He said that an unidentified customer alerted them about the

existence of the other bucket being produced by Blow Plast. They took photographs and established that the Respondent was responsible for its manufacture. They then instructed their Advocates who made a demand upon the Respondent but the demand was ignored.

9) He complained that the Respondent has copied the recessed feature and pointed out that the statement of novelty submitted by the Respondent did not mention the recessed tap at the bottom. He said he did not know of any other bucket with a recessed tap in the bottom, that was in the market prior to the registration of the design in 2008, but acknowledged, that there are containers in the market with recessed tap at the bottom. He also acknowledged that the pictorial/graphic representation of the bucket submitted by the respondent at the time of registration of Industrial Design No. 794 has a recessed tap at the bottom. The applicant did not oppose the registration because he was not aware of it. He acknowledged that the journal published on 28th February, 2015 at page 16 has the image of the recessed tap. He produced various documents one of which was the statement of novelty for industrial design No. 510 which states that the Novelty resides in the overall shape and configuration of the bottom portion which feature a recessed tap as therein illustrated and concluded by saying that for the moment there are only concern is to stop the infringement, but may consider applying for revocation of the respondents design.

10)The respondent's oral evidence was tendered by Mr. Shajay Bhrahbatt its Managing Director. He said that the Respondent also manufactures buckets and has a certificate No. 794 dated 7th May, 2015 in respect of the bucket subject of the dispute. He produced a copy of that certificate as Exhibit No. 1. He stated that all due processes were followed in obtaining it and no objection was lodged to the grant of the Industrial Design No. 794.

11)The statement of novelty in the Respondent's application for registration of industrial design indicates a bucket with stripes at the bottom with a step up. The design was advertised in the journal dated 28thFebruary, 2015 Exhibit 3 and there was no objection. The sample bucket submitted had a recessed bottom. They started production but stopped when the current proceedings were filed. Their bucket has distinct characteristics

from that of the applicant which he identified as – stripes at the bottom, step up at the bottom, sitting arrangement and a finger friendly handle. He denied that they had copied the applicant's design and said that there is no novelty in a recessed tap which he contended is universally used to take the contents out of the container. He exhibited a pictorial sample/representation from Macro Plast and Dazzling Daisy which were produced as exhibit 5 and 6. He said they are from India but is aware that they are sold in the Kenyan market. He said that the recessed tap is a prior art and was not invented by the applicant and concluded by seeking the dismissal of the applicant's request and grant of the Respondent's prayer/claim for damages for lost business and costs because they are not currently producing the bucket.

12) Cross examined by the applicant's counsel he maintained that the respondent had not copied the applicant's registered design and that their bucket is different from that of the applicant as it has a step up, and stripes. He said that though the Respondent did not have a recessed tap in its statement of novelty the sample bucket submitted at the time of registration had it.

13) He added that they did not need to seek a license from the applicant because the two designs were different.

14) He said that the Respondent's certificate has not been revoked and that they stopped production because they did not wish to get into business obligations with third parties when there was a dispute.

15) The parties Advocates also tendered written submissions in support of their respective clients/cases. The applicant's submissions were filed on 5th August, 2016 while those of the respondent were filed on 24th August, 2016. We have taken into account those submissions together with the authorities filed there with.

Issues for determination

16)The first broad issue for determination in this cause is whether or not the Respondent has infringed on the applicant's Industrial Design No. 510 by making/manufacturing buckets, with stripes at the bottom, a step up and recessed tap at the bottom.

The second broad issue is whether the applicant is entitled to the reliefs sought in its request.

The third issue is whether the Respondent is entitled to any of the reliefs sought in its counter Statement.

Analysis of the facts and the evidence.

17)At the centre of this dispute are two registered Industrial Designs certificates No. 510 and No. 794, a bucket and a recessed tap at the bottom.

The applicant claims that it has exclusive right to the use of a recessed tap, at the bottom of a bucket. The basis of this claim is industrial design No. 510 first registered in the year 2008 and renewed in the year 2014.

18) The respondent on its part says that it is within its rights to manufacture the bucket with stripes, a step up and the recessed tap at the bottom by virtue of its own design registration Number 794.

To unlock the dispute the starting point is therefore the two registered industrial designs No. 510 and 794.

19)Design No. 510 relates to, a liquid container with recessed tap. From the material presented before us two sample containers illustrated pictorially/graphically were submitted to the institute at the time the application for registration of the industrial design was presented. They are in the nature of basins/buckets and the recessed bottom part is clearly visible from the side. That is what the applicant claims to have been

infringed by the respondent – see IPT Form 16 filed at the Tribunal which states that the proceedings are in respect of infringement of industrial design No. 510 – liquid container with recessed tap.

20) Industrial Design No. 794 on the other hand is in respect of a bucket with stripes at the bottom and the bottom with a step up. But that is not all. The specimen of the graphic representation that is attached to the Certificate of Registration has a recessed tap at the bottom and a cap. This also appears in the industrial journal dated 28th February, 2015.

21) On the face of it the two Industrial designs as pictorially/graphically depicted and represented at the time of Registration appear different. Equally the physical buckets produced before the tribunal by both parties though sharing the recessed tap at the bottom differ in other material respects. These visual impressions are important because as AD Russel – Clarke observe in the text copyright in Industrial Design page **34 “the eye and the eye alone is the best judge of identity and is to decide whether one design is or is not an anticipation of another”**

22) Though the applicant says that the sample it presented at the time of registration was that of a bucket with a recessed tap at the bottom because its interest was to secure for itself the exclusive functionality of stacking to ease or aid in mass transportation of the bucket this is not borne out by the pictorial/graphic representation submitted to the authority (the institute) that issued the certificate of registration of the Industrial Design.

Section 87(1) of the Industrial Property Act requires a person wishing to register an Industrial Design to submit to the institute, drawings,

photographs or other graphic representations of the article embodying the industrial design and an indication of the article on which the industrial design is to be used. Those graphic representations photographs or drawings and any specimen of the registered design are under section 90 of the Act to be kept by the institute for a period of 8 years after the expiry of the registration and may be examined by any interested person on payment of the prescribed fee.

The reason for these requirements is obvious. It is to ensure clarity of what exactly has been registered and protected so that interested parties and the institute can have a certain reference as to the exact nature and substance of the registered industrial design.

As stated in the case of SafePak Ltd vs Dynaplast Ltd [2007]EKLR, what is protected and registered is the shape configuration and or pattern to be applied to a particular article; the emphasis being on the visual image conveyed by the manufactured article.

The graphic representation of what was registered and protected by the applicant differs materially from the Oxfam bucket produced as exhibit before the tribunal at the trial. In those circumstances we are unable to agree that the applicant's industrial design has been infringed by the Respondent as contended by the applicant.

23) Besides the Respondent's registered design No. 794 together with the pictorial representation of the bucket with stripes, a step up and recessed tap at the bottom is still valid. Its registration was not challenged within the 60 days window following the advert in the Industrial journal and

neither were any revocation proceedings filed within 9 months from the date of registration.

24) Though the applicant has invited us through the submissions to consider and revoke the Respondent's design No. 794, we decline to do so because the applicant's case before us is not a case for revocation but one for infringement of an Industrial Design. For the Tribunal to exercise its jurisdiction and powers to revoke or invalidate under section 103(1) or (2) of the Industrial Property Act, it must be moved appropriately. An application in that regard ought to be lodged with the Tribunal for consideration in Form IPT 14 under subsection (1) or (2) of section 103 of the Act. None was presented before the Tribunal. Instead what is before us is an application seeking to stop an alleged infringement of an industrial design under section 106 of the Industrial Property Act. It is trite that parties are bound by their pleadings and an application for revocation of a patent, industrial design, utility model has got to be founded on the pleadings. Consequently we hold and find that it is inappropriate to bring an application for revocation of an industrial design by way of submissions. In the circumstances we find that the applicant's request has no merits and decline to grant any of the reliefs sought in the request dated 6th August, 2015.

25) We now turn to the Respondent's counter statement in which the Respondent sought damages for loss of business, costs of proceedings and interest.

The basis upon which an award of damages for loss of business is sought is that the Respondent stopped production of the bucket complained of by the applicant when these proceedings were instituted.

26) We observe that no interlocutory application was made by the applicant to stop the Respondent from continuing with the manufacture and sale of the bucket complained of, pending the hearing and determination of the applicant's substantive request for injunction and other prayers in these proceedings. In the circumstances we find that the Respondent's stoppage of production of the bucket complained of was not occasioned by anything positive that the applicant did or failed to do. In our considered view the stoppage of production of buckets was a self-imposed restriction on the part of the Respondent and if the Respondent suffered any damage which was not proved before us, by probable and cogent evidence, the Respondent must bear that loss and cannot visit it upon the applicant.

27) That being our view of the matter we would dismiss the Respondent's claim for loss of business for not being merited.

28) As regards costs the law is that these follow the event but in the circumstances of this case where the fortunes of the parties are evenly balanced the order that commends itself to us is that each party shall bear its own costs.

29) In the upshot we rule and order as follows.

1. The applicant's request dated 6th August, 2015 be and is hereby dismissed.
2. The Respondent's prayer for damages contained in the counter statement/request dated 8th September, 2015 is hereby dismissed.
3. Each party shall bear its own costs.

It is so ordered.

Read and delivered in open court on this day of **9th December, 2016** in the presence of:

Ms. Munene h/b for Mr. Kariuki for the Applicant and Mr. Kimani for the Respondent

Signed by:

HASSAN N. LAKICHA - CHAIRMAN

BROWN M. KAIRARIA - MEMBER

DAVID K. KIPLAGAT - MEMBER

GODFREY OWINO - MEMBER

BRETTAH MUTHURI - MEMBER