



CM ADVOCATES LLP

# A PRESENTATION ON INTELLECTUAL PROPERTY AND ANTI-COUNTERFEIT LAWS IN KENYA

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FRENCH CHAMBER OF  
COMMERCE AND CM  
ADVOCATES LLP

24<sup>TH</sup> OCTOBER, 2024



# PRELIMINARIES – Who we are

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- **CM ADVOCATES LLP**, is a reputable top tier law firm headquartered in *Nairobi* with branches across the region including *Mombasa, Diani in Kenya, Dar-e-salam Tanzania, Kampala Uganda, Kigali Rwanda, Lusaka Zambia and Lagos Nigeria*, providing quality, timely, cost effective and efficient legal solutions.
- The firm consists of a Managing Partner, four Partners, and over thirty Advocates.
- We are a full service law Firm specialized in various areas of law including Business Law and Advisory; Intellectual Property Law; Employment & Labour Law; Real Estate Law; Dispute Resolution; Family Law and Estate Planning; Debt Recovery etc.
- Our offices in Nairobi are situated in I&M Bank House, 7<sup>th</sup> Floor, 2nd Ngong Avenue.

# OVERVIEW OF IP PROTECTION AND ANTI COUNTERFEIT LAWS IN KENYA

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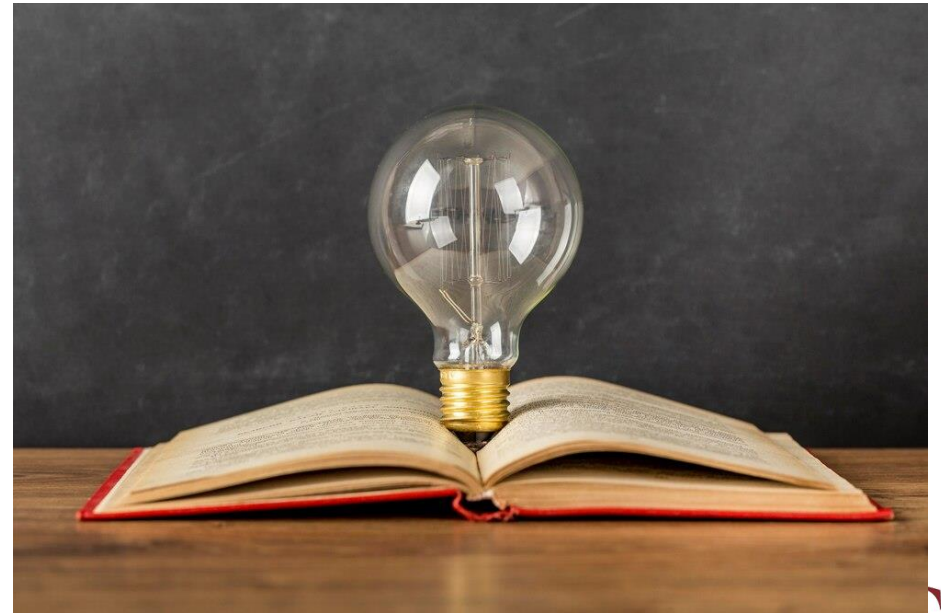
## Outline

1. Types of IP in Kenya - Trademark, Copyright, Patent, Utility models, Industrial designs, Plant Breeders/Variety Rights, Traditional Knowledge and Cultural Expressions, Trade secrets
2. Counterfeits goods and their impact
3. Practical steps to protect IP
4. Q&A

# INTELLECTUAL PROPERTY

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- Intellectual Property Rights (IPRs) refers to a *bundle of intangible property rights* conferred by law to inventors, or creators (as may be appropriate) to protect their invention or creation for a specific period of time.
- Types of intellectual property rights
  - Trade mark
  - Patent
  - Copyright
  - Utility model
  - Plant breeders/variety rights
  - Traditional cultural expressions
  - Trade secrets



# TRADEMARKS

## What are Trade marks?

- A *distinctive sign, or one adapted to distinguish*, which distinguishes goods or services of one enterprise from another.
- ‘Marks’ includes a distinctive slogan, device, brand, heading, label, ticket, name, signature, word, letter, or numeral of any combination thereof whether rendered in two-dimensional or three-dimensional form.

## Why are trade marks registered?

- Brand protection and recognition;
- Exclusive right to use the trademark to identify goods/services;
- Exclusive right to prevent others from using and marketing the same or similar trademark for the same or similar goods/services; and
- Exclusive right to authorize others to use the trademark (e.g. by franchising or licensing)

## Validity period

- Trademarks are valid for an initial period of 10 years, renewable infinitum.



# QUALIFICATIONS FOR REGISTRATION OF A TRADEMARK

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- Distinctiveness – capable of identifying and distinguishing the goods or services with which it is used
- Not be deceptive, contrary to public order/morality, or identical or confusingly similar to an existing trademark.
- Trademarks are territorial rights; they must be registered separately in each country in which protection is desired.
- But it is possible to acquire protection nationally, regionally and internationally:
  - Nationally: the Kenya Industrial Property Institute (KIPI)
  - Regionally: African Regional Intellectual Property Organization (ARIPO);
  - Internationally: World Intellectual Property Organization (WIPO)



# REGISTRATION PROCEDURES OF TRADEMARKS

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- Registered at the Kenya Industrial Property Institute (KIPI) and under the Trade Marks Act, Cap 506.
- Procedure
  - Search (availability and registrability)
  - Application for registration
  - Examination stage
  - Advertisement stage
  - Registration

# CASE STUDY – BUUPASS AND BUSPASS

- BuuPass Kenya Ltd. claimed **trademark** infringement by BusPass Kenya Ltd. Both businesses operated in the online transport ticketing industry.
- BuuPass sought a permanent injunction to stop the use of "Buspass", arguing that the use of this name was misleading customers and harming its reputation.
- The court found the names were too similar and required BusPass to change its name and pay damages.

Ticketing firm Buspass ordered to change name for trademark infringement

Business By Fred Kagonye | 4w ago | 4 min read



'BuuPass' or 'BusPass'? Inside a grueling fight for brand name

SUNDAY, AUGUST 11, 2024 · 6 min read

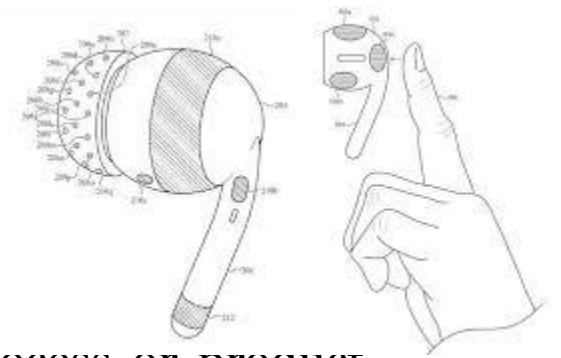


Sonia Kabra of BuuPass, a ticketing platform (left) with Wyclife Omondi. The two co-founded the BuuPass platform which does ticketing for the Standard Gauge Railway (SGR).



# PATENTS

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- **What is a Patent?**

- This is an exclusive right granted for an invention, which is a product, process or product-process that provides, in general, a new way of doing something, or offers a new technical solution to a problem.

- **Conditions for an invention to qualify for patent protection:**

- *Novelty/newness* – the invention must be new and not anticipated in previous work. It must be unique and possess an element of originality, standing out amidst the existing ideas.
- *Inventive step/non-obviousness* – the invention must not be obvious to someone skilled in the area. It should have a transformative unexplored dimension to it.
- *Industrial applicability/usefulness* – the invention should have the ability to be used in an industry. It must have utility, i.e a practical use in an industry. This ensures that the invention ignites practical progress, leading to real-world applications and benefits.
- must be part of the “patentable subject matter” under the applicable law.

- **Validity period**

- Patents are valid for a single term of 20 years.



# REGISTRATION OF PATENTS

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- There are exceptions to patent protection: Discoveries, scientific theories, and mathematical methods cannot be patented and neither will schemes for business, mental games, or playing strategies. Methods for treating bodies or making diagnoses, are also not patentable. However, the specific products used in those methods can be patented. Another exception is presentation of information in a unique way which is not subject to protection. Plant varieties, inventions contrary to public order and methods involving substances for public health, are also not patentable.
- Patent protection is territorial (every country grants patents that are only applicable and enforceable in that country). Patent rights can only be enforced in a country where the patent is granted and in force. It is however possible to acquire protection nationally, regionally and/or internationally:
- Registration process
  - Search
  - Application for registration
  - Publication (18 months after filing date)
  - Examination stage (applicant to request within 3 years from filing date)
  - Grant

# INDUSTRIAL DESIGNS

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- **What are industrial designs?**

- The overall appearance of a product resulting from one or more visual features of the shape, configuration, pattern or ornament of a product.
- industrial designs protect the aesthetics i.e. the visual aspects of a product e.g. shape, pattern, texture or decoration of a product.

- **Conditions for Registration**

- New and has not been disclosed to the public prior to registration
- Should not be contrary to public order or morality

- **Validity period**

- Industrial designs are valid for a single term of 5 years.



# REGISTRATION OF INDUSTRIAL DESIGNS

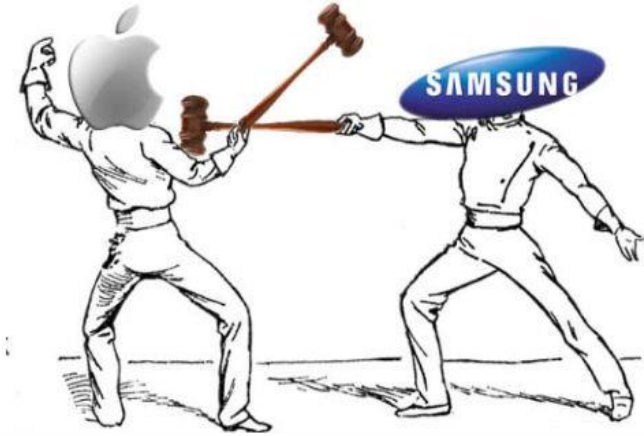
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## **Procedure for Registration**

- Search
- Application for registration
- Advertisement stage (60 days)
- Registration

# CASE STUDY – APPLE V SAMSUNG

- The Patent War between the two tech giants was initiated by a lawsuit in 2011, which focused on whether Samsung had copied design elements of the iPhone.
- A jury previously ruled in favour of Apple, leading to a \$1.05 billion judgment that was later reduced.
- The latest ruling had decreed Samsung to owe Apple \$539 million before the settlement was reached.
- Key issues in the litigation involved the infringement of design and utility patents fundamental to smartphone functionality: such as:
  - Tap to zoom
  - Home screen app grid
- Both companies emphasized that the case was about more than just financial compensation; it was about **innovation protection**.





# UTILITY MODELS

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- **What is a utility model?**

- A utility model refers to any new and useful form/arrangement/model of an object, that enhances its functioning, use, or production, providing benefits or effects not previously available.

- **Conditions for registration**

- technical inventions which are new;
- involve an inventive step; and
- industrial application;
- Unity of Invention - For each invention, a separate application must be filed; in the case of lack of unity, several applications are required.

- **Validity**

- 10 years, non renewable





# REGISTRATION OF UTILITY MODEL

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## Procedure for Registration

- Preliminary search to ensure novelty of the model
- Application for registration
- Advertisement stage (60 days) where interested parties can oppose the registration of the UM.
- Registration
- Annual maintenance fee

# COPYRIGHT

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- **What is Copyright?**

- A copyright is the exclusive and assignable legal right, given to the originator for a fixed number of years, to print, publish, perform, film, or record literary, artistic, or musical material. Copyright protects expression of ideas and not ideas in themselves, procedures, methods of operation or mathematical concepts from being copied without authority.

- **What can be copyrighted?**

- literary works such as literary works such as novels, poems, plays, reference works, newspaper articles, computer programs and databases. Literary works are protected provided that the work is original, has been reduced to writing, recorded or otherwise reduced to a material form.
- musical works;
- artistic works like paintings, drawings, sculpture, photographs and etc;
- dramatic works includes dance and etc;
- audio-visual works like television programs, movies and etc;
- sound recordings like songs, spoken words, sounds and other recordings; and
- broadcasts, provided that the work has been broadcasted.

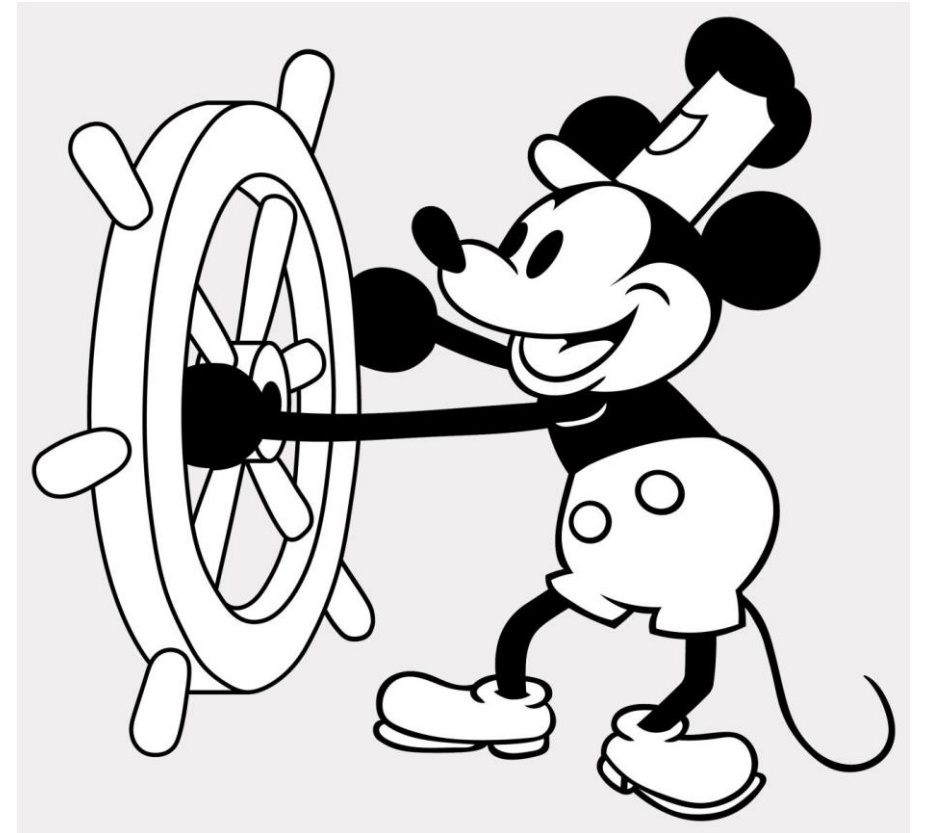


# COPYRIGHT

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- **Validity**

- Literary, musical or artistic work other than photographs – 50 years from death of Author
- Audio visual, photographs, sound recordings and broadcasts – 50 years from creation.



# REQUIREMENTS FOR COPYRIGHT PROTECTION

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- Requirements for Copyright protection
  - there must be an expression of ideas in the works;
  - the works must be original;
  - the works must be reduced to material form e.g. written down, recorded on film, tape, computer or otherwise.
- Rights granted by copyrights
  - Economic rights- These are rights granted to the owner of the works to prohibit or authorize reproduction, translation/adaption, distribution, communication to the public, and broadcasting.
  - Moral Rights- these rights are granted to enable the owner claim the authorship of the work and to object to any distortion, mutilation or other modification which would be prejudicial to the owner's honor or reputation.

# REGISTRATION OF COPYRIGHT

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- Registration of Copyrights
  - Copyright protection is vested in the work once it is in a concrete form without need for registration.
  - This registration is voluntary. Non registration does not deny authors any rights under the Copyright Act. It is however, highly recommended to undertake registration with KECOBO and obtain a certificate of registration.
- The first ownership of a copyright work vests in the person who creates it. However, copyright like any other moveable property can be transferred through sale, licenses and testamentary disposition:
  - In the case of two authors, the two shall be known as the joint authors of the work.
  - In the case of works created for hire or works created under a contract of employment, unless otherwise stated in a contract, the employer or the person who commissioned the work shall be the owner of the work.
  - In the case of a film, the principal director and the film producer are joint authors and first owners of the copyright (and the economic rights). Similar provisions to those referred to above, apply where the director is employed by someone.
  - In the case of a sound recording the author and first owner of copyright is the record producer, in the case of a broadcast, the broadcaster; and in the case of a published edition, the publisher.
  - Copyright in material produced by a government department belongs to the Government.

# CASE STUDY – SAUTI SOL V AZIMIO

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- In May 2022, Sauti Sol accused the Azimio coalition of copyright infringement for using their song “Extravaganza” without permission.
- The band claimed that Azimio used the song during an event without authorization
- They were backed by the Kenya Copyright Board, which confirmed that Azimio Coalition infringed on Sauti Sol's copyright for the song "Extravaganza."
- Although, Azimio, through Winnie Odinga, paid Sh526,000 for a **Public Performance License** , they did not obtain the necessary synchronization license. The license obtained only covered live music, not audio-synchronised use.

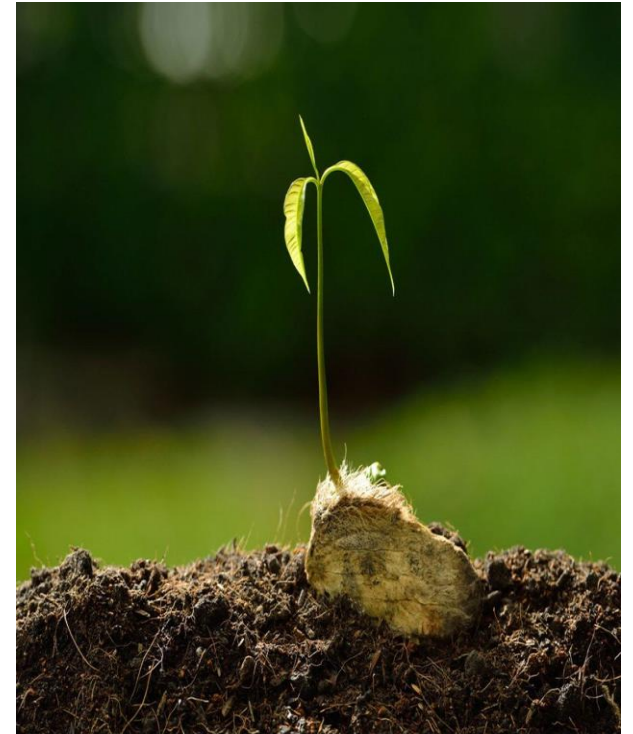




# PLANT BREEDERS RIGHTS

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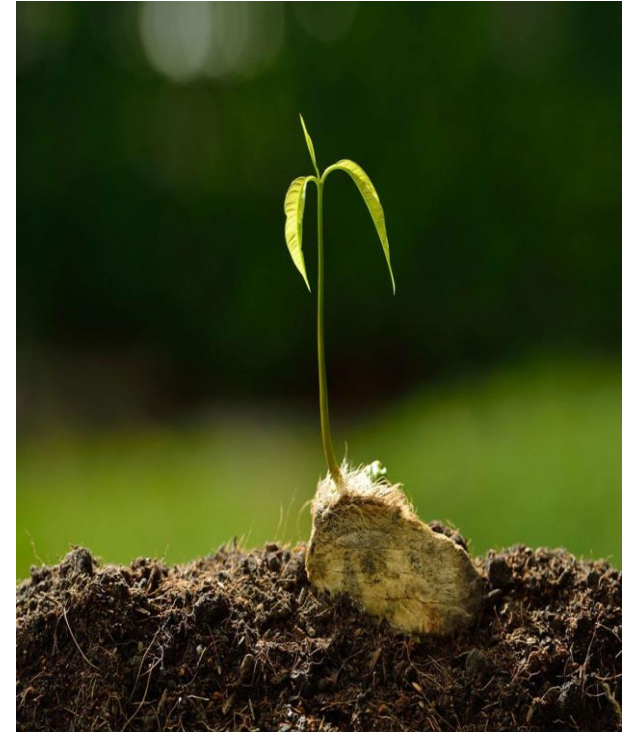
- What is a new plant variety?
  - Any person who discovers a new plant variety that is wild, that can be used or domesticated, can apply for a Grant of a Plant Breeder's Right.
- Conditions for seed and plant variety to be registered:
  - be sufficiently distinguishable by one or more important morphological, physiological or other characteristics from any other variety;
  - be sufficiently uniform or homogenous having regard to the particular features of its sexual reproduction or vegetative propagation;
  - be stable in its essential characteristics, i.e. it may remain true to its description after repeated reproduction/propagation.



# PLANT BREEDERS RIGHTS

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- A variety shall be deemed to be new if, at the date of filing of the application for a breeder's right, the variety has not been sold:
  - in Kenya, for a period of more than 1 year;
  - outside Kenya, for a period more than 4 years; or
  - in the case of trees or vines, for a period of more than 6 years.
- Validity period
  - 20 years from the date of the grant, except in respect of trees and vines which shall be 25 years from the date of the grant.



# REGISTRATION OF PLANT BREEDERS RIGHTS

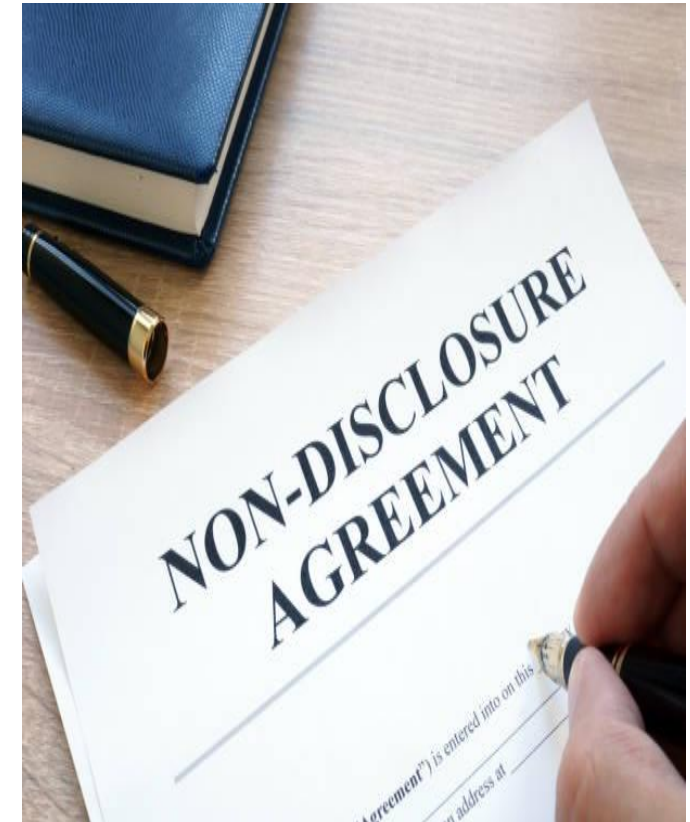
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- Registration is governed by the Seed and Plant Varieties Act & Regulations
- Plant Breeders' Rights are granted for a term of up to 25 years beginning from the date on which the grant of the PBR takes effect. For fruit trees, rootstocks, forest, ornamental trees and grapevines – not less than 25 years. For all other plant materials - not less than 20.

# TRADE SECRET

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- **What is a Trade Secret?**
  - These are IPRs on confidential information which may be sold or licensed.
- **What qualifies as a Trade Secret?**
  - In general, to qualify as a trade secret, the information must be:
    - commercially valuable because it is secret,
    - be known only to a limited group of persons, and
    - be subject to reasonable steps taken by the rightful holder of the information to keep it secret, including the use of confidentiality agreements for business partners and employees.
  - The unauthorized acquisition, use or disclosure of such secret information in a manner contrary to honest commercial practices by others is regarded as an unfair practice and a violation of the trade secret protection.



# TRADE SECRET *Contd...*

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- **What kind of information is protected by Trade Secret?**

- Trade secrets encompass both technical information, such as information concerning manufacturing processes, pharmaceutical test data, designs and drawings of computer programs, and commercial information, such as distribution methods, list of suppliers and clients, and advertising strategies.
- A trade secret may be also made up of a combination of elements, each of which by itself is in the public domain, but where the combination, which is kept secret, provides a competitive advantage.
- Other examples of information that may be protected by trade secrets include financial information, formulas and recipes and source

# PROTECTION OF TRADE SECRETS

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- Companies should take preventive measures to protect trade secrets against theft or misappropriation, including:
  - Non-disclosure agreement (NDA): employees and business partners should sign a non-disclosure agreement that prevent them from disclosing a company's confidential information.
  - Non-compete agreement (NCA): employers should ask employees, contractors and consultants to sign a non-compete agreement to prevent them from entering in competition when their employment/service agreement ends.
  - Robust IT security infrastructure
  - Controlling the accessibility of important documents





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# ANTI-COUNTERFEIT LAW IN KENYA



# ANTI COUNTERFEIT LAW

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- Anti-counterfeit law is a sub-set of intellectual property law
- Counterfeiting in Kenya is prohibited under the Anti-Counterfeit Act, 2008 (the Act), establishing a legal framework for the detection, prevention, and enforcement of counterfeit activities.
- The Act established the Anti-Counterfeit Authority (ACA) (the Authority), which is tasked with the enforcement of anti-counterfeit measures
- The aim is promoting fair trade, enhancing consumer confidence, and supporting the growth of a competitive market that adheres to intellectual property laws.

# WHAT IS COUNTERFEITING

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- Imitation of protected goods in such manner that those other goods are identical or substantially similar copies of the protected goods;
- Production of goods to confuse or mislead consumers into thinking they are purchasing protected goods;
- the manufacturing, producing or making of copies, in Kenya, in violation of an author's rights or related rights
- the deliberate and fraudulent mislabelling of medicine with respect to identity or source

# RECORDATION OF INTELLECTUAL PROPERTY RIGHTS

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- Section 34B of the Anti Counterfeit Act provides that trademarks, copyright, trade names for goods to be imported into Kenya shall be recorded with the Authority.
- Recordation's are effective for one year. Renewals should be made 30 days to expiry.
- Upon compliance the Authority issues the importer of goods a certification mark in the form of an anti-counterfeit security device.
- The Authority has the power to seize and destroy any goods imported into Kenya that do not bear the anti-counterfeit security device.

# OFFENCES IN COUNTERFEIT LAW

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- Be in possession of any counterfeit goods;
- manufacture, produce or make in the course of trade, any counterfeit goods;
- sell, hire out, barter or exchange, or offer for sale, any counterfeit goods;
- expose or exhibit for the purposes of trade any counterfeit goods;
- distribute counterfeit goods for purposes of trade or any other purpose;
- import into, transit through, transship within or export from Kenya, except for private and domestic use of the importer or exporter as the case may be, any counterfeit goods;
- in any other manner, dispose of any counterfeit goods in the course of trade;

# OFFENCES IN COUNTERFEIT LAW

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- Be in possession or control in the course of trade any labels, patches, stickers, wrappers, badges, emblems, medallions, charms, boxes, containers, cans, cases, hand tags, documentations, or packaging of any type or nature, with a counterfeit mark applied thereto, the use of which is likely to cause confusion, to cause mistake, or to deceive;
- import into Kenya, any goods or items bearing a trade mark, trade name or copyright that has not been recorded with the Agency;
- import into Kenya, in the course of trade, any goods or items except raw materials that is unbranded;
- fail to declare the quantity or the intellectual property right subsisting in any goods being imported into the Kenya;
- falsely declare the quantity or the intellectual property rights subsisting in any goods being imported into Kenya;
- import into or transit through Kenya any labels, patches, stickers, wrappers, badges, emblems, medallions, charms, boxes, containers, cans, cases, hand tags, documentations, or packaging of any type or nature, with a counterfeit mark applied thereto, the use of which is likely to cause confusion, to cause mistake, or to deceive



# PENALTIES FOR COUNTERFEITING

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- The penalty for a first conviction of counterfeiting is a prison term of up to 5 years or a fine of not less than 3 times the retail value of the counterfeit good.
- The penalty for a first conviction of counterfeiting is a prison term of up to 15 years or a fine of not less than 5 times the retail value of the counterfeit good.

# PENALTIES FOR DISCLOSING TRADE SECRETS

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- The penalty for disclosure of a trade secret is imprisonment for a term of up to 3 years or a fine of up to Kshs. 2 million.

# PRACTICAL STEPS TO PROTECT IP

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- Register your IP.
- When importing products apply for recordation of IP.
- Look out for authentication marks on products e.g. security tags for recordation and trademarks.
- Educate your consumers on how to identify genuine products.
- Enforce your rights through the dispute resolution mechanisms.



Q & A

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THANK YOU