

THE TRUSTEES OF THE MUKONO FAMILY TRUSTEE  
and  
MUKONOTRONICS (PVT) LTD  
versus  
KARPEG INVESTMENTS (PVT) LTD t/a KADIR & SONS  
and  
AMANAT ELECTRICAL WHOLESALERS  
and  
BIG R MICA HARDWARE (PVT) LTD  
and  
NATIONS HARDWARE (PVT) LTD  
and  
SWIZ ELECTRICAL (PVT) LTD  
and  
TAKEOUT POWER SUPPLIERS t/a NEXUS POWER  
and  
AE ELECTRICAL

HIGH COURT OF ZIMBABWE  
FOROMA J  
HARARE, 23 June 2017 & 24 January 2018

### **Civil Continuous Roll**

*M. Nkomo*, for the applicants  
*S. Hashiti*, for the respondents

FOROMA J: This matter commenced as an action against seven (7) defendants by the two plaintiffs seeking:-

1. a permanent interdict barring the defendants from reproducing, selling or offering for sale exporting or otherwise dealing in their plaintiffs' works.
2. an order that defendants account for all the profits from infringing plaintiffs' works.
3. damages calculated at 50% of the profits made by the defendants from infringing plaintiffs' works for the period 12/02/2009 to date of summons.
4. attachment and delivery up of all infringing copies or articles presently in defendants' possession and five costs of suit at the attorney and own client scale.

Initially all defendants entered appearance to defend. Eventually claims against all defendants except first defendant were withdrawn by plaintiffs at various stages with the result that only first defendant defended the matter up to trial.

The brief factual background to plaintiff's claim as pleaded is that first plaintiff claimed that he registered certain industrial designs in respect of what is generally known as surge protectors but for registration purposes known as double or triple path transient protection device with or without frequency filtering on the 31<sup>st</sup> of July 2008 under registration number ID 7/2008 in terms of the Industrial Designs Act [*Chapter 26:02*]. The certificate of registration issued in respect of the industrial design was registered in the name of Mukono Family Trust a Zimbabwean Trust of 29 Kingsmead Road Borrowdale, Harare, Zimbabwe for a period of 10 years.

First plaintiff complained that the defendants infringed its exclusive rights by either making or importing or selling or offering for sale articles in respect of which the first plaintiff design is registered. Plaintiff details the infringement in the pleadings as follows;

- i. The metal box (a part of the registered industrial design) the infringers have aluminium material.
- ii. They (infringers) copied the exact dimensions grooves curves slits and texture to reproduce the exact copy making it impossible to distinguish the originals from the counterfeits.
- iii. All the defendants herein are selling or offering for sale the articles that are infringing on first plaintiff's copyright in the registered industrial design and get up.

The first plaintiff has also complained that the infringers have copied the exact electronic circuit diagram including symbols and components and positions in the circuit of fuses inductors, capacitors and MOVs including the copy righted words "The Power Surge Stops Here." The plaintiffs further complain that all the defendants herein are importing or selling and offering for sale the counterfeit products thus exposing unsuspecting customers to serious risk of loss of their valued property and even their precious lives. Plaintiffs go on to suggest that the defendants conduct poses a grave risk of tarnishment of the Mukonitronics and M-Tron Brands which constitute a violation of the second plaintiff's trade mark rights.

The plaintiffs' claim that the defendants have infringed their rights conferred by or in terms of section 15 of the Industrial Designs Act [*Chapter 26:02*] which confers

“the exclusive right in Zimbabwe to make import or export for sale or for use for the purposes of any trade or business or to all or hire any article in respect of which the design is registered or a design not substantially different from the registered design has been applied and to make anything for enabling such article to be made as aforesaid.”

Although all defendants entered appearance to defend the plaintiffs’ claims only the case against first defendant proceeded to trial as the other defendants had cases against them withdrawn at one stage or the other before trial.

First defendant in defence to the plaintiffs’ claim filed an exception and also pleaded to the merits. The exception was not conceded by the plaintiff’s which argued that the claim per declaration was not exceptible. It emerged at the hearing of the exception before MUREMBA J that the plaintiffs considered that defendants cause of complaint namely the validity of the registration of the industrial design was a special defence which is not apparent from the declaration and which ought to have been taken as a plea in bar and not as an exception. The exception thus failed and the matter had to proceed to trial.

The issues for trial were agreed upon at the pre-trial conference as follows;

1. Whether or not the defendant’s goods are infringing upon plaintiff’s intellectual property rights.
2. Whether or not plaintiff is entitled to a permanent interdict barring defendant from reproducing selling or offering for sale exporting or otherwise dealing in plaintiffs’ specified works.
3. Whether or not plaintiff is entitled to any damages and if so the quantum thereof?

The following admission was recorded at the pre-trial conference – “It is common cause that the industrial design are registered in the name of Mukono Family Trust.”[the underlining is mine for emphasis].

At the trial plaintiff called one Lovemore Mukono who testified that he was an electrical and electronics engineer and that he had designed the industrial design which plaintiff complained first defendant was guilty of infringing. He also testified that after completing the design and having been satisfied that the design had reached a commercial state of development he then assigned it to Mukono Family Trust a trust that he himself registered.

The deed of assignment produced as exhibit 3 does in fact reflect that the design was duly assigned to Mukono Family Trust. It is important to note at this stage that Mukono Family Trust in the deed of assignment is described as follows – “Mukono Family Trust a body

corporate of Zimbabwe of 29 Kingsmead Road, Borrowdale [underlining is mine for emphasis].

The assigning clause reads as follows –

“Now therefore I hereby assign the said design and all rights relating thereto as far as Zimbabwe is concerned to the said Mukono Family Trust with the right to apply for registration of the said design in its own name”.

It is significant to observe that the Trust is not only erroneously perceived to be a body corporate but that it could apply for registration of the design in its own name.

As was accepted by the parties to be common cause at the pre-trial conference the design was registered in the name of Mukono Family Trust. The defendant persisted at trial with its special defence (erroneously raised as an exception as ruled by MUREMBA J) that the design was not properly registered as a trust had no capacity to apply for the registration of a design in terms of sections 8 of the Industrial Designs Act.

It seems to me that the onus of proof on whether the design was properly registered is on the first plaintiff. Section 8 of the Industrial Designs Act provides as follows:-

- 8 “Persons entitled to apply for registration  
An application for the registration of a design may be made by any of the following persons
- A person claiming to be the proprietor of the design; or
  - An assignee and may be made by that person either alone or jointly with any other person.”

The word person is defined in the Interpretation Act [*Chapter 1:1*] as follows “person or party includes any company incorporated or registered as such under an enactment or any body of persons, corporate or unincorporated or any local or other similar authority.

In the matter of *Gold Mining & Minerals Development Trust v Zimbabwe Miners Federation* 2006 (1) ZLR 174 (N) MAKARAU JP as she then was had the following to say regarding the status of a trust –

“It is trite that at law, a trust is not a juristic person.” The author Honore, in the *South African Law of Trusts 3<sup>rd</sup> ed* defines a trust in the first chapter of his text. He gives the wide meaning of the term as;

“any legal arrangement by which one person is to administer property whether as an officer holder or not for another or for some impersonal object.”

The author then proceeds to refer to some cases in which the term was defined in this wide sense. In the narrow sense “trust” exists when the creator of the trust hands over or is bound to hand over the control of an asset which is to be administered by another for the benefit of some person other than the trustee or for some impersonal object. It appears to me clearly

that in either sense the author views a “trust” as a legal relationship and not as a separate legal entity, as a corporation or universitas even though the trustees may together form a board akin to a board of a company or of a voluntary association.

The view by Professor Honore above was accepted by the South African Law Development Commission in its review of the Law of Trusts of June 1987 as the correct position at Law and as the position confirmed by the South African Appellant Division.

Again the Author Elliot and Banwell in their book, *The South African Notary 5<sup>th</sup> ed* at p 79 write the position as follows:

“A trust is not a separate legal persona capable of rights and duties as an individual or legal persona. In the closing submissions it is submitted on defendants’ behalf that the application form by the plaintiff was filled in, in the name of the Trust and not the trustees .... Absent a right there cannot be an interdict.”

It is clear as it is common cause between the parties that a trust is not a legal persona. In the case of *Mafirambudzi Family Trust & Others v Trust Madzingira & Others* TAKUVA J ordered that the first and second respondents transfer the immovable property purchased by the applicant represented by the trustee Mafirambudzi to applicant. The said order did not detract from the legal position that a trust cannot own a property in its own right. The applicant (Mafirambudzi Family Trust) would not have been able to sue respondent as applicant by reason of its status as a non-legal persona but for the *locus standi* conferred upon it by Order 2A Rule 8 of the High Court Rules 1971 - See *Wilsa and others v Mandaza and others* 2003 (1) SA ZLR 500H. As a matter of law therefore a trust not being a juristic person or legal persona cannot own property corporeal or incorporeal neither can it have property registered in its name.

At the close of the defence case (i.e the end of evidence recording) the parties requested to make written closing submissions and this was granted them in the usual order they would have orally addressed the court with plaintiff having a right to reply. It is significant to note that despite defendant having challenged the plaintiff on who applied for the registration of the design with defendant insisting that it was the Trust plaintiff did not respondent at all. For the avoidance of doubt paragraph 10 of the defendant’s heads of argument reads; “the application form by the plaintiff was filled in the name of the Trust and not the Trustees”. “Thus clearly putting the judgment per MUREMBA J of no moment. Absent a right there cannot be an interdict.” Plaintiff did not challenge this submission. The point was forcefully made that designs registered in the name of a trust make the registration a legal nullity – *Crundall Bros P/L v Lazarus N.O and Anor* 1990 (1) RLR 290 H at 298 E and F.

In the circumstances plaintiffs' non rebuttal can well be understood. The legal point made on behalf of defendant is beyond reproach. It follows therefore that the registration of the designs which are the basis of plaintiff's claim is a nullity and confers no rights on plaintiffs against any alleged infringement of the alleged rights by defendant.

In view of the finding made on the invalidity of the registration of the industrial design I do not find it necessary to deal with the claim for damages as it then falls away.

In the circumstances I make the following order. It is ordered that

1. Plaintiff's claim be and is hereby dismissed with costs on the higher scale of legal practitioner and client - such costs to include the costs of the Sheriff in storing the surge protectors impounded.

*Donsa, Nkomo & Mutangi Legal Practice*, plaintiff's legal practitioners  
*Costa & Madzonga*, 1<sup>st</sup> defendant legal practitioners