



REPUBLIC OF KENYA
IN THE HIGH COURT OF KENYA AT NAIROBI
JUDICIAL REVIEW DIVISION
JUDICIAL REVIEW MISC. NO. 36 OF 2017

Republic.....Applicant
Versus
Anti-Counterfeit Agency.....1st Respondent
Director of Public Prosecutions.....2nd Respondent
And
Mashwa Brewries Limited.....Interested Party
and
FRM (EA) Packers Limited.....1st *Ex parte* Applicant
Francis Mathenge Kigo.....2nd *Ex parte* Applicant

JUDGMENT

The parties

1. The first applicant is a limited liability company incorporated in Kenya under the provisions of the Companies Act¹ and having its registered offices in Nairobi. It undertakes the business of manufacturing and distribution of alcohol by the brand name “*Santa King Ice.*”
2. The second applicant is an adult of sound mind and a director of the first applicant.

¹ Cap 486, Laws of Kenya. NOTE: This act was repealed by Act No. 17 of 2015.

3. The first Respondent, the Anti-Counterfeit Authority is a body corporate with perpetual succession and a common seal established under section 3 of the Anti-Counterfeit Act² (herein after referred to as **the Act**). It is capable of— (a) suing and being sued; (b) taking, purchasing or otherwise acquiring, holding, charging or disposing of movable and immovable property; (c) borrowing and lending money; (d) charging fees for services rendered by it; (e) entering into contracts; and (f) doing or performing all such other things or acts necessary for the proper performance of its functions under the act, which may lawfully be done by a body corporate.
4. The second Respondent is the Director of Public Prosecutions (herein after referred as the DPP), established under Article 157 of the Constitution with constitutional mandate to *inter alia* institute and undertake criminal proceedings against any person before any court (other than a court martial) in respect of any offence alleged to have been committed.³
5. The third Respondent, Mashwa Breweries Limited is a limited liability company incorporated in Kenya under the Companies Act.⁴

Factual Matrix

6. The factual chronology which triggered this case is essentially uncontroverted or common ground. It is common ground that the first applicant holds a Manufacturer Alcoholic License issued by the County Government of Macghakos and that it manufactures and distributes a brand of alcohol known as “*Santa King Ice*.” There is no contest that the first applicant acquired the said brand in 2015 from Merchant Pinewood Limited and it invested in the business.
7. The contestation lies in the use of the brand name “*Santa King Ice*” which the applicants state is not ordinarily found or defined in any language, vocabulary or dictionary and but it is the applicants’ own invention and innovation.

² Act No. 13 OF 2008.

³Article 157 (6) of the Constitution.

⁴ Cap 486, Laws of Kenya-Repealed by Act No. 15 of 2017.

8. The crux of the applicants' complaint is that on 1st February 2017, an officer from the first Respondent, acting on a complaint lodged by a rival company claiming it owned the said brand name and accompanied by the 2 armed police officers stormed their premises armed with a Seizure Notice allowing them to seize all products known as "Santa King Ice" from their premises and to halt its production. The applicants further complain that the said officers declined to give the second applicant a copy of the complaint and the Seizure Notice and instead only gave him an inventory of the seized goods. It is the applicants' case they do not manufacture counterfeit goods and the said seizure occasioned it losses.

The legal foundation of the application

9. The applicants' case is that they were not given an opportunity to be heard before the Seizure Notice was issued nor were they given an opportunity to know the complainant prior to the issuance of the Seizure Notice which amounts to abuse of process. They maintain that since the complaint relates to trademark infringement, the proper remedy was under the Trade Marks Act.⁵ Also, they stated that the seizure is meant to stifle competition and that the Respondents are using the Interested Party to ward off competition. They also state that the impugned decision violates their right to natural justice because they are yet to be served with the complaint. They also state that they were not afforded an opportunity before the seizure of the goods.

Reliefs sought

10. The applicants pray for the following orders:-
- a. *An order of certiorari to bring to the High Court for purposes of being quashed, the decision of the first Respondent made on 1st February 2017 to seize alcoholic beverages from the first applicant and to prohibit any further production and sale of its "Santa King Ice" product.*

⁵ Cap 506, Laws of Kenya.

- b. An order of Prohibition restraining the 1st Respondent from entering into premises of FRM EA Packers Limited searching, impounding or seizing alcoholic beverages and Santa King Ice beverage.*
- c. An order of Prohibition restraining the Respondent from entering into the premises of FRM East Africa Packers Limited, its suppliers, distributors or agents and searching, impounding or seizing Santa King Ice and other alcoholic products manufactured by the first applicant.*
- d. An order of Prohibition restraining the second Respondent from receiving, entering, proceeding with or in any manner dealing with the complaint on the production, sale and distribution by the applicant of alcoholic beverages known as Santa King Ice or any other Alcoholic Beverages currently in production within its licenced premises as Mlolongo.*
- e. An order of Mandamus to compel the first Respondent to return the applicant's goods collected from the premises of FRM EA Packers Limited and more specifically set out in the inventory of seized goods No. 000424 dated 01/02/2017 and pay such damages as the court shall deem just in the circumstances of this case.*
- f. Such further and other relief as this honourable court may deem just and expedient to grant.*

The first Respondent's Replying Affidavit

11. **Mr. Caspar Oluoch**, a Chief Inspector with the first Respondent swore the Replying Affidavit dated **14th** March 2017. He averred that the first Respondent is mandated to take action on counterfeit matters based either on formal complaints under section **33** of the Act or on its own motion.
12. He deposed that acting on a formal complaint from the Interested Party in the company of other officers they proceeded to the applicants' premises and upon inspection they found the infringing goods. He averred that in undertaking the seizure he was guided by the powers and discretions conferred on him by section **23** of the Act.

13. He deposed that the mandate of the first Respondent is to ensure that there is no abuse of intellectual property rights and that from the complaint laid by the Interested Party, there was *prima facie* credible allegation of abuse of intellectual property rights. He also deposed that it is not true that the applicants were not provided with reasons. He averred that he introduced himself to the second applicant who was cooperative and he signed the Seizure Notice. He further deposed that the application is premised on falsehoods.

14. Mr. Oluoch deposed that the issue before this court relates to intellectual property and that the concept of “brand name” stated by the applicants is unknown in law, and that judicial review looks at the process and not the merits.

Second Respondent’s grounds of opposition

15. The second Respondent filed grounds of opposition dated **21st** March 2017 stating that under Article **157(10)** of the Constitution and section **6** of the Office of the Director of Public Prosecutions Act,⁶ the **DPP** does not require the consent of any person or authority to commence criminal proceedings, and that the application does not disclose abuse of powers on the part of the DPP. The DPP also stated that section **23** of the Act permits the inspection and seizure complained about.

Applicant’s supplementary Affidavit

16. Francis Mathenge Kigo, the second applicant who is also the first applicant’s Managing Director swore the supplementary affidavit dated **7th** August 2017. He deposed that the first Respondent is acting in cahoots with the Interested Party and is grossly abusing its powers. He deposed that during the pendency of these proceedings the Interested Party filed civil proceedings in the Chief Magistrates Court seeking injunctive orders prompting them to raise an objection and the suit was withdrawn with costs, thus suggesting bad faith. He deposed that the Interested Party is not the owner of the Trademark called “*Santana King Ice*” but merely

⁶ Act No. 2 of 2013.

“*Santanna ice*” and it is abusing intellectual property laws by using a name other than the registered name.

The Interested Party

17. Counsel for the Interested Party in his oral and written submissions referred to a Replying affidavit of a one Francis Karanja Njuguna. However, the said affidavit is not in the court file. Accordingly, I did not have the benefit of considering it.
18. In any event, on 3rd March 2020, I directed all the parties to avail soft copies of all their pleadings within 7 days from the said date. Regrettably, none of the parties complied. Court directions do serve a salutary purpose of enabling the court to attain the constitutional dictate of expeditiously disposing cases. Parties are obligated to play their role and assist the court to achieve this constitutional dictate by complying with court directions.

Issues for determination

19. Upon considering the respective party’s positions, I find that the following issues fall for determination:-
- a. *Whether the impugned decision is tainted with procedural impropriety.*
 - b. *Whether the Respondents violated the applicant’s right to legitimate expectation.*
 - c. *Whether the impugned decision is tainted with illegality.*
 - d. *Whether the applicants are citing merit grounds.*
 - e. *Whether this suit offends the doctrine of exhaustion.*
 - f. *Whether the applicant has established any grounds to warrant the judicial review orders.*
- a. ***Whether the impugned decision is tainted with procedural impropriety.***
20. The applicant’s counsel argued that the Respondents violated the doctrine of Natural Justice by denying the applicants an opportunity to be heard before issuing the Seizure Notice and by failing to supply them with a copy of the complaint. He argued that instead they issued with

an inventory. He cited *JMK & MWM & another*⁷ in support of the proposition that the right to be heard is a valued right and that it would offend all notions of justice if the rights of a party were to be prejudiced or affected without the party being afforded an opportunity to be heard. To buttress his argument, He cited *Joseph Wambugu Kimenju v AG*⁸ which held that the fundamental principles of natural justice are that a person affected by a decision will receive notice that his or her case is being considered in addition to being provided with details of the case. He cited *Abbot v Sullivan*⁹ for the proposition that bodies which exercise monopoly in important sphere of human activity with power of depriving a man his livelihood must act in accordance with elementary rules of natural justice.

21. The Respondent's counsel cited *Paul Kuria Kiore v Kenyatta University*¹⁰ which held that-¹¹
“procedural fairness is a flexible principle. Natural justice has always been an entirely contextual principle. There are no rigid or universal rules as to what is needed in order to be procedurally fair. The content of the duty depends on the particular function and circumstances of the individual case.” He also cited *Kenya Revenue Authority v Menginya Salim Murgani*¹² which held that the fairness of a hearing is not determined solely by its oral nature and that decision making bodies other than courts whose procedures are laid down by statute are masters of their own procedures provided that they achieve an appropriate degree of fairness. He relied on *R v Aga Khan Education Services ex parte Ali Sele & 20 others*¹³ which held that it is not in every situation that the other side must be heard. He also cited *Russel v Duke of Norfolk*¹⁴ which held that the requirements of natural justice must depend on circumstances of the case, the nature of the inquiry, rules under which the tribunal is acting, the subject matter that is being dealt with etc. He also cited *Simon Gakuo v Kenyatta University & 2 others*¹⁵ for the holding that the *audi alteram partem* rule should not be interpreted to mean a full adversarial hearing or anything close to it as per the courtroom situation.

⁷ {2015} e KLR

⁸ {2013} e KLR.

⁹ {1952} 1 KB 189.

¹⁰ {2016} e KLR.

¹¹ Citing Michael Fordham, *Judicial Review Handbook*, 4th Edition, page 1007.

¹² Civil Appeal No. 108 of 2009.

¹³ High Court Misc. App No. 12 of 2002.

¹⁴ {1949} 1 All ER 188.

¹⁵ Misc. APP No. 34 of 2009.

22. The second Respondent's counsel cited *Republic v Anti Counterfeit Agency & 3 others ex parte Omega Chalk Industries (1993) & another*¹⁶ which discussing the mischief the provisions of the act was meant to cure held that it would defeat the purpose of the Act to require that the person whose possession suspected counterfeit goods are to be heard before the power of seizure is exercised and that any wrongful seizure is dealt with under section **25** of the act. The court added that if it was intended that a hearing preceded the seizure, section **25(3)** of the Act would not have been necessary and added that the said provision cannot be taken to be superfluous or unnecessary and must be given effect to.

23. Also, the Respondent's counsel submitted that the first Respondent did not violate the applicants' right to information under section **6** of the Access to information Act¹⁷ or Article **35** of the Constitution and argued that Article **47** of the Constitution does not apply to these proceedings. He argued that criminal proceedings are not administrative in nature and that a person does not need to be heard before he is prosecuted. He argued that the first Respondent acted *intra vires* hence the orders sought cannot be issued. He cited *Kenya National Examinations Council v Republic ex parte GAoeffrey Gathenji Njoroge & 9 others*¹⁸ and argued that the applicants have not demonstrated illegality, irrationality or procedural impropriety.

24. The Interested Party's counsel did not address this issue at all.

25. The term *procedural impropriety* was used by Lord Diplock in the House of Lords decision *Council of Civil Service Unions v. Minister for the Civil Service*¹⁹ to explain that a public authority could be acting *ultra vires* (that is, beyond the power given to it by statute) if it commits a serious procedural error. His Lordship regarded procedural impropriety as one of three broad categories of judicial review, the other two being illegality and irrationality.²⁰

¹⁶ {2015} e KLR.

¹⁷ Act No. 31 of 2016.

¹⁸{1997} e KLR.

¹⁹ *Council of Civil Service Unions v. Minister for the Civil Service* [1984] UKHL 9, [1985] 1 A.C. 374, House of Lords (UK).

²⁰ Ibid.

26. Procedural impropriety generally encompasses two things: procedural *ultra vires*, where administrative decisions are challenged because a decision-maker has overlooked or failed to properly observe statutory procedural requirements; and common law rules of natural justice and fairness.²¹ Lord Diplock noted that "failure by an administrative tribunal to observe procedural rules that are expressly laid down in the legislative instrument by which its jurisdiction is conferred, even where such failure does not involve any denial of natural justice," is a form of procedural impropriety.²²

27. In recent years, the common law relating to Judicial Review of administrative action on the basis of procedural impropriety has undergone a rather remarkable transformation. The courts, using the language of "natural justice" and, more recently and more dramatically, "fairness", have brought about a situation in which a broad range of statutory authorities are subject to the observance of at least a modicum of procedural decency.²³ That a decision is against natural justice does not mean merely that it is against evidence or wrong in law; it means that the decision is such a one that the person appealing has not had his case properly considered by the decision maker. A decision contrary to natural justice is where the decision maker denies a person some right or privilege or benefit to which he is entitled to in the ordinary course of the proceedings.²⁴

28. Section 4 of the Fair Administrative Action Act²⁵ re-echoes Article 47 of the Constitution and reiterates the entitlement of every Kenyan to administrative action that is expeditious, efficient, lawful, reasonable and procedurally fair. In all cases where a person's rights or fundamental freedoms is likely to be affected by an administrative decision, the administrator must give the person affected by the decision prior and adequate notice of the nature and reasons for the proposed administrative action; an opportunity to be heard and to make representations; notice of a right to a review or internal appeal against the decision where applicable; a statement of reasons; notice of the right to legal representation and right to cross-examine; as well as

²¹ Peter Leyland; Gordon Anthony (2009), "Procedural Impropriety II: The Development of the Rules of Natural Justice/Fairness", *Textbook on Administrative Law (6th ed.)*, Oxford: Oxford University Press, pp. 342–360 at 331, ISBN 978-0-19-921776-2.

²² *Supra*, note 18.

²³ David J. Mullan, *Natural Justice and Fairness - Substantive as well as Procedural Standards for the Review of Administrative Decision-Making?* <http://www.lawjournal.mcgill.ca/userfiles/other/6927003-mullan.pdf>.

²⁴ (1897) 18 N.S.W.R. 282, 288 (S.C.).

²⁵ Act No. 4 of 2015.

information, materials and evidence to be relied upon in making the decision or taking the administrative action. It is noteworthy that some of these elements are mandatory while some are only required where applicable.

29. Subsection 4 further obliges the administrator to accord affected persons an opportunity: to attend proceedings in person or in the company of an expert of his choice; a chance to be heard; an opportunity to cross-examine persons who give adverse evidence against him; and request for an adjournment of proceedings where necessary to ensure a fair hearing.

30. Whether or not a person was given a fair hearing of his case depends on the circumstances and the type of the decision to be made. The minimum requirement is that the person gets the chance to present his case. In the most recent edition of De Smith's Judicial Review of Administrative Action, it is asserted:- "The emphasis that the courts have recently placed on an implied duty to exercise discretionary powers fairly must normally be understood to mean a duty to adopt a fair procedure. But there is no doubt that the idea of fairness is also a substantive principle."²⁶

31. However, the standards of fairness are not immutable. They may change with the passage of time, both in the general, and in their application to decisions of a particular type. The principles of fairness are not to be applied by rote identically in every situation. What fairness demands is dependant on the context of the decision, and this is to be taken into account in all its aspects.²⁷

32. Accordingly, the courts look at all the circumstances of the case to determine how the demands of fairness should be met.²⁸ In addition, the foregoing implies that the range of procedural protection will vary, depending on the context, with greater protections in some contexts rather

²⁶ See S. De Smith, *Judicial Review of Administrative Action*, 4th ed. J. Evans (1980), 352- 4.

²⁷ See R v. Secretary of State for the Home Department, ex parte Doody [1994] 1 AC 531 at 560.

²⁸ See also *McInnes v. Onslow-Fane* [1978] 3 All ER 211, where the Court distinguished between application, legitimate expectations, and forfeiture cases to determine the degree of procedural protection required by the situation; the implication is that the strong impact on the individual in forfeiture cases required high level procedural protection (in the form of a right to an unbiased tribunal, right to notice of the charges, and the right to be heard) while the low impact on the individual in application cases required lower levels of procedural protection (which required just the imposition of a duty to reach an honest and non-capricious decision without bias).

than others. Courts have also used “fairness” as an explanation of other grounds of review. This is apparent, for example, in relation to judicial review for breach of substantive legitimate expectations. The courts have also used fairness as the explanatory basis for reviewing mistakes of fact. Courts also use fairness to rationalize judicial review of decisions based on “wrongful” or “mistaken” assessments of evidence. However, in all of the above contexts, fairness has operated as a conclusion or explanatory norm of the main ground for judicial review (for example, illegality or substantive legitimate expectations) rather than as the primary norm *per se* by which the relevant administrative decision was judged.

33. Guidance can be obtained from the Court of Appeal decision in *J.S.C. v Mbalu Mutava*²⁹ which succinctly elucidated the law in cases of this nature. It held that the right to a fair administrative action under Article 47 is a distinct right from the right to a fair hearing under Article 50(1) (2) of the Constitution. Fair administrative action broadly refers to administrative justice in public administration and is concerned mainly with control of the exercise of administrative powers by state organs and statutory bodies in the execution of constitutional duties and statutory duties guided by constitutional principles and policy considerations and that the right to a fair administrative action, though a fundamental right is contextual and flexible in its application and can be limited by law.³⁰ Fair hearing under Article 50 (1) applies in proceedings before a court of law or independent and impartial tribunals or bodies.

34. Upon applying the legal principles discussed above to the facts and circumstances of this case, I find that the applicants have not demonstrated that the Respondents acted in a manner that violated their right to natural justice. The function under the act is simple and straight forward. It is to notify the applicants the purpose of their visit, which they did, search the premises for the offending items as they did, prepare a proclamation as they did which was ironically signed by the second applicant, then seize the goods as provided under the act and issue a Seizure Notice. It cannot be said the law required an oral hearing in such situations. On the contrary, the Act is self-contained in that it stipulates the steps to be followed and also provides a mechanism for challenging the seizure. In view of my analysis and conclusions herein above,

²⁹ {2015}eKLR

³⁰ Ibid.

the answer to this issue is in the negative. The allegation that the first Respondent or any of the Respondents violated the principles of natural justice collapses.

g. Whether the Respondents violated the applicant's right to legitimate expectation

35. The applicants' counsel submitted having been fully licensed to manufacture the products, the applicants had legitimate expectation that the licenses issued to them would enable them to manufacture products for the full year provided they fulfilled the license conditions. He submitted that the legitimate expectation was breached by the first Respondent who without giving details of their inspection and denying the applicant an opportunity to be heard, seized the goods. He argued that the doctrine of legitimate expectation is about an administrative body charged with making decision affecting the rights of others acting fairly. He submitted that section 4 of the Fair Administrative Action Act³¹ provides for the right to be supplied with reasons. He argued that the applicant's conduct was unfair, inconsiderate, unreasonable and punitive. He relied on *Pravin Bowry v Ethics & Anti-Corruption Commission*³² for the proposition that the concept of legitimate expectations like many concepts can be used in more than one way, and that it does not have to be given restrictive interpretation.

36. Counsel for Respondents and the Interested Party did not address the doctrine of legitimate expectation even though it was raised by the applicants' counsel.

37. It is fitting to start by stating that a procedural legitimate expectation rests on the presumption that a public authority will follow a certain procedure in advance of a decision being taken. In adjudicating legitimate expectation claims, the court follows a two-step approach. *First*, it asks whether the administrator's actions created a reasonable expectation in the mind of the aggrieved party. *Second*, if the answer to this question is in affirmative, the second question is whether that expectation is legitimate. If the answer to the second question is equally affirmative, then the court will hold the administrator to the representation, and enforce the legitimate expectation.

³¹Act No. 4 of 2015.

³²{2013} e KLR.

38. The first step in the analysis has both an objective and a subjective dimension. *First*, it is asked whether a reasonable expectation of a certain outcome was created. The representation itself must be precise and specific and importantly, lawful. This requirement also implies that individuals are required to know what the law is and consequently when a representation is lawful or not and hence can be relied upon or not.³³ Once a reasonable expectation exists, the administrator is required to act in accordance with that expectation, except if there are public interest considerations, which outweighs the individual's expectation.

39. The basic premise underlying the protection of legitimate expectations seems to be the promotion of legal certainty.³⁴ Individuals should be able to rely on government actions and policies and shape their lives and planning on such representations. The trust engendered by such reliance is said to be central to the concept of the rule of law.³⁵ Forsyth describes the impact of such trust and the role the protection of legitimate expectations play in this regard as follows:-

*“Good government depends in large measure on officials being believed by the governed. Little could be more corrosive of the public's fragile trust in government if it were clear that public authorities could freely renege on their past undertakings or long-established practices.”*³⁶

40. Legal certainty is not, however the only principle at play in legitimate expectation doctrine. The counter value of legality is especially important in the context of the substantive protection of legitimate expectations.³⁷ The fear in protecting legitimate expectations substantively is that administrators may be forced to act *ultra vires*. That would be the case where an administrator has created an expectation of some conduct, which is beyond his authority or has become beyond his authority due to a change of law or policy. If the administrator were consequently held to that representation, he would be forced to act *contra legem*. It is clear that such representations will not be upheld by the court.³⁸ The value of legality in law has led to the

³³ Case C-80/89, *Behn v Hauptzollamt Itzehoe*, 1990 E.C.R. I-2659.

³⁴ Søren Schønberg, *Legitimate Expectations in Administrative law* 118 (2003); *C.f.* Forsyth, *The Provenance and Protection of Legitimate Expectations*, 47 *CAMB. L. J.* 238, 242-244 (1988). The protection of legitimate expectations are in fact still stronger in German law today than is the case in EU law, *see*, *Administrative Law of the European Union, its Member States And The United States* 285 (Rene Seerden & Frits Stroink eds., 2002).

³⁵ *Ibid.*

³⁶ *Ibid.*

³⁷ *Joined Cases 205-215/82, Deutsche Milchkontor GmbH et al. v Germany*, 1983 E.C.R. 2633.

³⁸ Søren Schønberg, *Legitimate Expectations in Administrative Law* 118 (2003).

requirement that the expectation must be one of lawful administrative action before it can be either reasonable or legitimate. Legality therefore seems to take precedence over legal certainty in law. As stated above, there can be no reasonable expectation where the representation is of unlawful conduct and hence the question of legitimacy does not arise.

41. The requirements for the existence of such an expectation were restated in *National Director of Public Prosecutions v Philips*³⁹ as follows :- (i) that there must be a representation which is “clear, unambiguous and devoid of relevant qualification,” (ii) that the expectation must be reasonable in the sense that a reasonable person would act upon it, (iii) that the expectation must have been induced by the decision-maker and (iv) that it must have been lawful for the decision-maker to make such representation. If such an expectation exists it will be incumbent on the administrator to respect it. If the court finds that a legitimate expectation did in fact exist, it will ordinarily invalidate the administrative action and refer the matter back to the decision-maker to deal with it in a procedurally fair manner.

42. Discussing legitimate expectation, *H. W. R. Wade & C. F. Forsyth*⁴⁰ states thus:-

*“It is not enough that an expectation should exist; it must in addition be legitimate....**First** of all, for an expectation to be legitimate it must be founded upon a promise or practice by the public authority that is said to be bound to fulfil the expectation..... **Second**, clear statutory words, of course, override an expectation howsoever founded..... **Third**, the notification of a relevant change of policy destroys any expectation founded upon the earlier policy....”*

“An expectation whose fulfillment requires that a decision-maker should make an unlawful decision, cannot be a legitimate expectation. It is inherent in many of the decisions, and express in several, that the expectation must be within the powers of the decision-maker before any question of protection arises. There are good reasons why this should be so: an official cannot be allowed in effect to rewrite Acts of Parliament by making promises of unlawful conduct or adopting an unlawful practice.” (Emphasis added)

³⁹ 2002 (4) SA 60 (W) at paragraph 28, quoted with approval by the Supreme Court of Appeal in *South African Veterinary Council and another v Szymanski* 2003 (4) BCLR 378 (SCA) at paragraph 19 and in *Minister of Environmental Affairs and Tourism and others v Phambili Fisheries (Pty) Ltd and another* [2003] 2 All SA 616 (SCA) at paragraph 65.

⁴⁰ *Administrative Law*, by H.W.R. Wade, C. F. Forsyth, Oxford University Press, 2000, at pages 449 to 450.

43. It follows that statutory words override an expectation howsoever founded. Thus, a decision maker cannot be required to act against clear provisions of a statute just to meet ones expectations otherwise his decision would be out rightly illegal and a violation of the principle of legality, a key principle in Rule of Law. There cannot be legitimate expectation against the clear provisions of a statute. The doctrine cannot operate against clear provisions of the law and that it must be devoid of relevant qualification. The search and seizure is provided under the law. The first Respondent exercised a clear statutory mandate. Possession of a valid license to operate a business and infringement of a trade mark or an intellectual property right are two things. The statutory scheme empowers the first Respondent to act either on a complaint or on its own motion. In fact, as explained later, the act gives the first Respondent wide powers. A reading of the tests for legitimate expectation discussed above leaves me with no doubt that the allegation of violation of the right to legitimate expectation raised by the applicants cannot meet the said tests.

c. Whether the impugned decision is tainted with illegality

44. The applicant's counsel argued that that section **23** of the Act sets out the steps to be undertaken and argued that there is no mandatory requirement that seizure should be the first port of call.

45. On the question whether there is an infringement of the Trade Mark by the first applicant, he cited sections **5** and **32** of the Act and argued that the applicant did not manufacture any counterfeit goods but its own genuine products. He cited *Mumias Sugar Company Limited v Option Two Limited & another*⁴¹ which cited to *Supa Brite Ltd v Pakad Enterprises*⁴² for the holding that to succeed in an action for passing off, the plaintiff must prove:-

- a. ***That*** he has acquired a reputation or goodwill connected with the goods or services and that such goods or services are known to buyers by some distinctive get up or feature.
- b. ***That*** the defendant has, whether intentionally or not, made misrepresentation to the public leaving them to believe that the defendant's goods are the plaintiffs; and
- c. ***That*** the plaintiff has suffered damage because of the erroneous belief engendered by the defendant's misrepresentation.

⁴¹ {2014} 2 EA.

⁴² {2001} 2 EA.

All these three elements are questions of fact.

46. Counsel submitted that the product “*Santanna King Ice*” has no resemblance at all with the Interested Party’s name and that the colors and the bottles are different and the commodities are distinct. He argued that the Trade Mark Act⁴³ does not allow the first Respondent to enforce the Act, and under the said act, disputes are purely civil in nature. Counsel argued that the applicant is challenging the manner in which the Respondents acted.

47. The Respondent’s counsel submitted that the first Respondent acted within its mandate as provided under sections **23(1) (c) (d)** and **25 (1)** of the Act. He submitted that a reading of the Act shows that the first Respondent’s mandate is both investigative and prosecutorial in nature and added that it cannot be said that the impugned decision is unreasonable or irrational. He submitted that the applicant applied for registration of a Trademark and that its certificate of registration is yet to be issued. Citing section **7 (2)** of the Trade Mark Act⁴⁴ he submitted that the applicant is not protected by the said Act. He relied on *Republic v Director of Public Prosecutions & 3 others ex parte Rafique Ebrahim & another*⁴⁵ for the holding that the police have a duty to investigate a complaint once made and urged the court not to interfere with the first Respondent’s mandate.

48. Also counsel cited *Paul Ongili Owino v Bernard Omondi Onginjo & 2 others*⁴⁶ and *Paul Ngángá & 2 others v AG & 3 others*⁴⁷ for the holding that it is in the interest of public that persons accused of criminal conduct are made to face the criminal justice process without hindrance. He submitted that in giving effect to the rights, the courts must balance fundamental rights of individuals against the public interest in the attainment of justice in the context of the prevailing system of legal administration and prevailing economic, social and cultural conditions.⁴⁸

⁴³ Cap 506, Laws of Kenya.

⁴⁴ Ibid.

⁴⁵ {2016} e KLR.

⁴⁶ {2016} e KLR.

⁴⁷ Pet No. 518 of 2012.

⁴⁸ Citing *Bell v DPP* {1988} 2WLR 73 and *James Opiyo Wandayi v Kenya National Assembly & 2 others* {2016} e KLR.

49. The Respondent's counsel submitted that the DPP has appointed prosecutors under the law to conduct prosecutions for counterfeit offences and that the DPP ought not to have been enjoined in these proceedings. He argued that the applicants have not demonstrated that the second Respondent lacked or acted in excess of jurisdiction or departed from natural justice in conducting the investigations. He submitted that a complaint was laid under section 33 of the Act, and that, that the first Respondent undertook the investigations under the law. He cited *Republic v The Chief Magistrates, Milimani & 2 others ex parte Tusker Mattresses Ltd and 3 others*⁴⁹ which held that in order to succeed in an application for judicial review, the applicant has to show that the decision or act complained of is tainted with illegality, irrationality and procedural impropriety. He submitted that the steps laid down in section 23 of the Act were complied with. Citing *Kenya National Examinations Council v ex parte Geoffrey Njoroge & 9 others*, he argued that the writs of *Certiorari* and *Prohibition* cannot issue in this case.
50. The Interested Party's counsel's submission was that the Interested Party's attention was drawn to brands similar to theirs on sale in Muranga and Laikipia prompting them to lay a complaint with the first Respondent. He cited section 32 of the Act which prohibits trading in counterfeit goods and relied on *Haria Industries v PJ Projects*⁵⁰ in which the Court of Appeal held that the test is whether an average customer acting with reasonable care would be likely to be confused by the article complained of. He placed reliance on *Bata Brands & another v Umoja Robber Products Limited*⁵¹ which held that (a) at the heart of passing off lies deception or its likelihood deception of the ultimate consumer in particular, (b) the foundation of the plaintiff's case must therefore lie in deception, (c) it made no difference whether there was misrepresentation by the use of a trade mark, sign or whether it arose by the very appearance of the goods themselves, (d) if the ingredients of passing off are made out, there is no policy exception by way of defence, (e) the defendant must always do enough to avoid deception to escape liability, (f) in passing off action what must be shown is whether the public is moved to buy by source.
51. To further fortify his argument, counsel cited *Match Masters Limited v Rhino Matches Limited* which held that to succeed in an action alleging passing off, a plaintiff must prove three things,

⁴⁹ High Court Civil Suit No. 179 of 2012.

⁵⁰ {1970} EA 367.

⁵¹ {2018} e KLR.

namely (a) that he has acquired a reputation or good will connected with the goods or services and such goods or services are known to buyers by some distinctive get up or feature, (b) that the defendant has whether intentionally or not made misrepresentation to the public leading them to believe that the defendant's goods are the plaintiff's and (c) that the plaintiff has suffered damage because of the erroneous belief engendered by the defendants misrepresentation. Additionally, counsel cited *Beiersdorf East Africa Limited v Emirchem Products Limited*⁵² which stated that all crucial factors in the case taken together constitute not only a probable infringement of the plaintiffs trademarks but also raised a real probability of confusion to customers.

52. The task for the courts in evaluating whether a decision is illegal is essentially one of construing the content and scope of the instrument conferring the duty or power upon the decision-maker. The courts when exercising this power of construction are enforcing the rule of law, by requiring public bodies to act within the “four corners” of their powers or duties. They are also acting as guardians of Parliament's will, seeking to ensure that the exercise of power is in accordance with the scope and purpose of Parliament's enactments. Where discretion is conferred on the decision-maker, the courts also have to determine the scope of that discretion and therefore need to construe the statute purposefully.⁵³ One can confidently assume that Parliament intends its legislation to be interpreted in a meaningful and purposive way giving effect to the basic objectives of the legislation.

53. Thus, when the legality of a decision, act or omission is challenged, a court ought first to determine whether, through the application of all legitimate interpretive aids,⁵⁴ the impugned decision, act or omission is capable of being read in a manner that complies with the mandate conferred by the enabling statute. The Constitution requires a purposive approach to statutory interpretation.⁵⁵ The purpose of a statute plays an important role in establishing a context that

⁵² {2002} e KLR.

⁵³ Sir Rupert Cross, *Statutory Interpretation*, 13th edn. (1995), pp.172–75; J. Burrows, *Statute Law in New Zealand*, 3rd edn. (2003), pp.177–99. For a recent example in Canada see *ATCO Gas and Pipelines Ltd vs Alberta (Energy and Utilities Board)* [2006] S.C.R. 140.

⁵⁴ *National Coalition for Gay and Lesbian Equality and Others v Minister of Home Affairs and Others* [1999] ZACC 17; 2000 (2) SA 1 (CC); 2000 (1) BCLR 39 (CC) at para 24

⁵⁵ Ngcobo J while interpreting a similar provision in *Bato Star Fishing (Pty) Ltd v Minister of Environmental Affairs and Tourism and Others*, [2004] ZACC 15; 2004 (4) SA 490 (CC); 2004 (7) BCLR 687 (CC).

clarifies the scope and intended effect of a law.⁵⁶ A contextual interpretation of a statute, therefore, must be sufficiently clear to accord with the rule of law.⁵⁷ In *Stopforth v Minister of Justice and Others; Veenendaal v Minister of Justice and Others*⁵⁸ Stopforth Olivier JA provided useful guidelines for the factors to be considered when conducting a purposive interpretation of a statutory provision:-

“In giving effect to this approach, one should, at least, (i) look at the preamble of the Act or at the other express indications in the Act as to the object that has to be achieved; (ii) study the various sections wherein the purpose may be found; (iii) look at what led to the enactment (not to show the meaning, but also to show the mischief the enactment was intended to deal with); (iv) draw logical inferences from the context of the enactment.”

54. The preamble to the act provides that it is “an Act of Parliament to prohibit trade in counterfeit goods, to establish the Anti-Counterfeit Authority, and for connected purposes.” The Respondent’s functions are outlined at Section 5 of the Act as follows:-

5. Functions of the Authority

The functions of the Authority shall be to—

- a) *enlighten and inform the public on matters relating to counterfeiting;*
- b) *combat counterfeiting, trade and other dealings in counterfeit goods in Kenya in accordance with this Act;*
- c) *devise and promote training programmes on combating counterfeiting;*
- d) *co-ordinate with national, regional or international organizations involved in combating counterfeiting;*
 - (da) *advise the government through the Cabinet Secretary on policies and measures concerning the necessary support, promotion and protection of intellectual property rights as well as the extent of counterfeiting;*
 - (db) *to carry out inquiries, studies and research into matters relating to counterfeiting and the protection of intellectual property rights.*
- e) *carry out any other functions prescribed for it under any of the provisions of this Act or under any other written law; and*

⁵⁶ Thornton Legislative Drafting 4ed (1996) at 155 cited in JR de Ville above n 18 at 244.

⁵⁷ *Dawood and Another v Minister for Home Affairs and Others; Shalabi and Another v Minister for Home Affairs and Others; Thomas and Another v Minister for Home Affairs and Others* {2000} ZACC 8; 2000 (3) SA 936 (CC) ; 2000 (8) BCLR 837 (CC) at para 47.

⁵⁸ {1999} ZASCA 72; 2000 (1) SA 113 (SCA) at para 21.

(f) perform any other duty that may directly or indirectly contribute to the attainment of the foregoing.

55. The powers of inspectors appointed under Section 22 of the act are provided under section 23 of the Act in the following words:-

23. Powers of inspectors

(1) An inspector may at any reasonable time—

(a) enter upon and inspect any place, premises or vehicle at, on or in which goods that are reasonably suspected of being counterfeit goods are to be found, or on reasonable grounds are suspected to be manufactured, produced or made, and search such place, premises or vehicle and any person found in such place, premises or vehicle, for such goods and for any other evidence of the alleged or suspected act of dealing in counterfeit goods, and for purposes of entering, inspecting and searching such a vehicle, an inspector may stop the vehicle, wherever found, including on any public road or at any other public place;

(b) take the steps that may be reasonably necessary to terminate the manufacturing, production or making of counterfeit goods, or any other act of dealing in counterfeit goods being performed, at, on or in such place, premises or vehicle, and to prevent the recurrence of any such act in future: Provided that those steps shall not include the destruction or alienation of the relevant goods unless authorized by an order issued by a court of competent jurisdiction;

(c) seize detain, and, where applicable, remove for detention, all the goods in question found at, on or in such place, premises or vehicle;

(d) seize detain, and, where applicable, remove for detention, any tools which may be used in the manufacturing, production, making or packaging of those goods or applying a trade mark or that exclusive mark on such goods;

(e) if he reasonably suspects that a person at, on or in such place, premises or vehicle may furnish any information with reference to any act of dealing in counterfeit goods—

(i) question that person and take down a statement from him;

(ii) demand and procure from that person any book, document, article, item or object which in any way may be relevant to nature, quantity, location, source or destination of the goods in question, or the identity and address of anyone involved or appears to be involved as a supplier, manufacturer, producer, maker, distributor, wholesaler, retailer, importer, exporter or clearing and forwarding agent of, or other dealer in, the goods in question; and

(f) seal or seal off any place, premises or vehicle at, on or in which—

(i) the goods in question are found, or are manufactured, produced or made, either wholly or in part;

(ii) any trade mark, any exclusive mark or any work which is the subject matter of copyright, is applied to those goods;

(iii) the packaging for those goods is prepared; or

(iv) the packaging of those goods is undertaken.

(2) Nothing in this section shall be construed as requiring a person to answer any question or give any information if to do so might incriminate him.

(3) An inspector may arrest, without a warrant, any person whom he suspects upon reasonable grounds of having committed any offence under this Act and may search and detain such a person: Provided that no person shall be arrested under this section unless he obstructs or hinders the inspector or refuses to give his name and address to the inspector or to produce to him satisfactory evidence of his identity, or gives a name and address which the inspector has reason to believe to be false or it appears to the inspector that such a person may not be found or made answerable to justice without unreasonable delay, trouble or expense.

(4) An inspector shall have the power to investigate any offence related or connected to counterfeiting notwithstanding that such an offence is not expressed as such under the provisions of this Act.

(5) An inspector shall have the same powers as are exercised by a customs officer with regard to importation of counterfeit goods under the East African Community Customs Management Act, 2005.

(6) If a magistrate, on sworn information in writing—

(a) is satisfied that there is reasonable ground to believe either—

(i) that any goods, books or documents which an inspector has power under this section to inspect are on any premises and that their inspection is likely to disclose evidence of commission of an offence under this Act; or

(ii) that any offence under this Act has been, is being, or is about to be committed on any premises; and

(b) is also satisfied either—

(i) that admission to the premises has been or is likely to be refused and that notice of intention to apply for a warrant under this section has been given to the occupier; or

(ii) that an application for admission, or the giving of such a notice, would defeat the object of the entry, or that the premises are unoccupied, or that the occupier is temporarily absent and it might defeat the object of the entry to await his return, the magistrate may by warrant under his hand, which shall continue in force for a period of one month, authorize an inspector to enter the premises, if need be by force.

(7) An inspector entering any premises by virtue of this section may take with him such other persons and such equipment as may appear to him to be necessary; and on leaving any premises which he has so entered by virtue of a warrant he shall, if the premises are unoccupied or the occupier is temporarily absent, leave them as effectively secured against trespassers as he found them.

56. Parliament in its wisdom vested wide powers to the inspectors. The argument that seizure is not the first port of call flies on the face of the above statutory powers particularly section **23 (1) (a) (b) (c) (d)** of the Act. The design, purpose and architecture of the statute is to detect, deter and prohibit manufacturing and distribution of counterfeit goods. A failure not to seize the suspected counterfeit goods at the earliest possible time will be an affront to the above section and defeat the purpose of the statute. It will not only amount to allowing suspected counterfeit goods to continue being manufactured or being in circulation, but create room for the possible disappearance of crucial evidence. Investigative agencies have a solemn duty of preserving evidence especially where there is eminent possible prosecution. It is for this realization that Parliament in its wisdom inserted section **25(3)** of the Act discussed later. The said section was carefully designed to cushion against improper seizure. A reading of the applicants' case and the above section leaves me with no doubt that the applicants have not demonstrated that the first Respondent acted *ultra vires* their powers or in any manner abused any of the above provisions.

57. Additionally, the duty of an inspector upon seizing any goods suspected to be counterfeit goods in accordance with Section **23** is provided for under section **25** of the act as follows:-

25. Duty of inspector upon seizure of goods

1. *An inspector who has seized any suspected counterfeit goods in accordance with section 23 shall—*
 - a) *forthwith seal, clearly identify and categorize the goods and prepare, in quadruplicate, an inventory of such goods in the prescribed form and cause the person from whom the goods are seized to check the inventory for correctness, and, if correct, cause that person to make a [Rev. 2018] Anti-Counterfeit No. 13 of 2008 17 certificate under his signature on each copy of the inventory and if the seized goods are removed under paragraph (c), the inspector shall endorse that fact under his signature on every copy of the inventory, in which case the inventory shall also serve as a receipt;*
 - b) *furnish one copy of the inventory to the person from whom the goods are seized and another to the complainant, if any, within five working days after the seizure;*
 - c) *as soon as possible, remove the goods, if transportable, to a counterfeit goods depot for safe storage, or, if not capable of being removed or transported, declare the goods to have been seized in situ, and seal off or seal and lock up the goods or place them under guard at the place where they were found, and thereupon that place shall be deemed to be a counterfeit goods depot; and*
 - d) *by written notice, inform the following persons of the action taken by the inspector under section 23 (1) and of the address of the counterfeit goods depot where the seized goods are kept—*
 - i. *the person from whom those goods are seized; and*

- ii. *either the complainant, where the inspector exercised his powers pursuant to a complaint laid in accordance with section 33(1); or*
- iii. *the person who, in relation to those goods, qualifies under section 33(1) to be a complainant, but who had not yet so laid a complaint at the time when the inspector exercised those powers on his own initiative in accordance with section 33(4).*

(2) An inspector may require a complainant to disclose any additional information, which may be relevant to the action that has been taken.

(3) Any person aggrieved by a seizure of goods under section 23 may, at any time, apply to a court of competent jurisdiction for a determination that the seized goods are not counterfeit goods and for an order that they be returned to him.

(4) The court may grant or refuse the relief applied for under subsection (3) and make such order as it deems fit in the circumstances, including an order as to the payment of damages and costs.

58. A clear and faithful reading of the above section and the complaints cited by the applicants leave me with no doubt that the applicant have not demonstrated breach of the above section. On the contrary, the inspector carefully adhered to the above provision.

59. Section 33 of the Act provides the manner in which a complaint may be laid by the holder of an intellectual property right. I find nothing to suggest that the manner in which the complaint was laid before the first Respondent offends the above section. The only challenge here is that the complaint falls under a Trade Mark, hence, it can only be handled by way of a civil dispute. This reason is legally frail as explained below.

60. *First, the argument ignores the common law trade mark. (See *Capital Estate and General Agencies (Pty) Ltd & others v Holiday Inns Inc & others.*)⁵⁹ As Nicholas AJA observed in *Schultz v Butt*:-⁶⁰*

‘The fact that in a particular case there is no protection by way of patent, copyright or registered design, does not license a trader to carry on his business in unfair competition with his rivals’.

⁵⁹1977 (2) SA 916 (A) at 925H). In order to establish such a mark, an applicant has to show that the mark has acquired such a reputation in relation to the applicant’s business that it may be said to have become distinctive thereof. See *Capital Estate and General Agencies (Pty) Ltd v Holiday Inns Inc* 1977 (2) SA 916 (A) at 925H. See also *Policansky Bros Ltd v L & H Policansky* 1935 AD 89 at 97, where Wessels CJ held the following in relation to a claim of passing off: ‘It is an action in tort and the tort consists of a representation by the defendant that his business or his goods, or both, are those of the plaintiff. The Roman-Dutch law was well acquainted with the general principle that a person cannot, by imitating the name, marks or devices of another who had acquired a reputation for his goods, filch the former’s trade (Ned. Advies Boek, vol. 1, adv. 68, p. 161). This class of tort had not reached, by the end of the eighteenth century, the importance that it has today.’

⁶⁰ 1986 (3) SA 667 (A) at 683J-684A.

61. Both counsel cited relevant authorities on the common law **passing off**, a common law tort which can be used to enforce unregistered trade mark rights. As expected, they used the said decisions to fortify their respective positions. On their part, the applicant's counsel argued that the Interested Party's claim falls under the Trademark by way of a civil dispute. He also argued that the applicants do not manufacture counterfeit goods. This argument is attractive, but it collapses on the ground that it ignores the principles of law laid down in the cases cited by both parties, but more so, it collapses on grounds that counsel did not address the fact that the tort of passing off protects the goodwill of a trader from misrepresentation. The question is here is whether the common law tort of misrepresentation applies in this case. The law of **passing off** prevents one trader from misrepresenting goods or services as being the goods and services of another, and also prevents a trader from holding out his or her goods or services as having some association or connection with another when it is not true.

62. The wrong known as **passing off** consists in a representation by one person that his business (or merchandise, as the case may be) is that of another, or that it is associated with that of another, and, in order to determine whether a representation amounts to a **passing off**, one enquires whether there is a reasonable likelihood that members of the public may be confused into believing that the business of the one is, or is connected with, that of another.⁶¹ **Passing-off** is defined as follows:-

*“The wrong known as passing off consists in a representation by one person that his business (or merchandise, as the case may be) is that of another, or that it is associated with that of another and, in order to determine whether a representation amounts to passing off, one enquires whether there is a reasonable likelihood that members of the public may be confused into believing that the business of the one is, or is connected with, that of another.”*⁶²

63. As Corbett CJ put it in *Williams t/a Jenifer Williams & Associates & another v Life Line Southern Transvaal*:-⁶³

“In its classic form it usually consists in A representing, either expressly or impliedly (but almost invariably by the latter means), that the goods or services marketed by him emanate in the course of business from B or that there is an association between such goods or services and the business

⁶¹ See *Capital Estate and General Agencies (Pty) Ltd & others v Holiday Inns Inc & others*, 1977 (2) SA 916 (A) at 929E.

⁶² *Capital Estate and General Agencies (Pty) Ltd v Holiday Inns Inc*. 1977 (2) SA 916 (A) at 929C.

⁶³ {1996} ZASCA 46; 1996 (3) SA 408 (A) at 418D-F:

conducted by B. Such conduct is treated by our law as being wrongful because it results, or is calculated to result, in the improper filching of another's trade and/or in an improper infringement of his goodwill and/or in causing injury to another's reputation. Such a representation may be made impliedly by A adopting a trade name or a get-up or mark for his goods which so resembles B's name or get-up or that A's goods or services emanate from B or that there is the association between them referred to above. Thus, in order to succeed in a passing off action based upon an implied representation it is generally incumbent upon the plaintiff to establish, inter alia: firstly, that the name, get-up or mark used by him has become distinctive of his goods or services, in the sense that the public associate the name, get-up or mark with the goods or services marketed by him (this is often referred to as the acquisition of reputation); and, secondly, that the name, get-up or mark used by the defendant is such or is so used as to cause the public to be confused or deceived in the manner described above."

64. A cause of action for passing off is a form of intellectual property enforcement against the unauthorised use of a get-up (the whole external appearance or look-and-feel of a product, including any marks or other indicia used) which is considered to be similar to that of another party's product, including any registered or unregistered trademarks. **Passing off** is a common law cause of action, whereas statutory law such the Trade Marks Act provides for enforcement of registered trademarks through infringement proceedings.

65. The second ground upon which the applicants' argument that their products are distinct and that the Interested Party's claim lies under the Trade Mark Act⁶⁴ hence a civil dispute collapses is that **Passing off** and the law of registered Trade Marks deal with overlapping factual situations, but deal with them in different ways. **Passing off** does not confer monopoly rights to any names, marks, get-up or other indicia. It does not recognize them as property in its own right. Instead, the law of passing off is designed to prevent misrepresentation in the course of trade to the public, for example, that there is some sort of association between the businesses of two traders.

66. There are three elements, often referred to as the Classic Trinity, in the tort of **passing off** which must be fulfilled. In *Reckitt & Colman Ltd v Borden Inc*,⁶⁵ – also known as the *Jif Lemon*

⁶⁴ Cap 506, Laws of Kenya.

⁶⁵ {1990} 1 All E.R. 873.

case – is a leading decision of the House of Lords on the tort of **passing off**. The court reaffirmed the three part test (reputation and goodwill, misrepresentation, and damage) in order to establish a claim of **passing off**. Lord Oliver, at page 880, reaffirmed the classic test for passing off:-

*“**First**, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying "get-up" (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. **Second**, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. ... **Third**, he must demonstrate that he suffers or ... that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff.”*

67. The above jurisprudence extinguishes the applicant's argument that the fact that their goods are distinct, or the colours are different or the bottles are different, and the argument that the claim lies under the trademark law.

68. The second ground upon the applicant's argument collapses is that a reading of the Anti-Counterfeit Act clearly shows the scope and purpose of the enactment. The preamble to the act reads that it is an Act of Parliament to prohibit trade in counterfeit goods, to establish the Anti-Counterfeit Authority, and for connected purposes. The Act defines counterfeiting as follows:-

“counterfeiting” means taking the following actions without the authority of the owner of intellectual property right subsisting in Kenya or outside Kenya in respect of protected goods—

- (a) the manufacture, production, packaging, re-packaging, labelling or making, whether in Kenya, of any goods whereby those protected goods are imitated in such manner and to such a degree that those other goods are identical or substantially similar copies of the protected goods;*
- (b) the manufacture, production or making, whether in Kenya, the subject matter of that intellectual property, or a colourable imitation thereof so that the other goods are calculated to be confused with or to be taken as being the protected goods of the said owner or any goods manufactured, produced or made under his licence;*

- (c) *the manufacturing, producing or making of copies, in Kenya, in violation of an author's rights or related rights;*
- (d) *in relation to medicine, the deliberate and fraudulent mislabelling of medicine with respect to identity or source, whether or not such products have correct ingredients, wrong ingredients, have sufficient active ingredients or have fake packaging:*

Provided that nothing in this paragraph shall derogate from the existing provisions under the Industrial Property Act, 2001 (No. 3 of 2001);

69. From the above definitions, the aspect of “manufacturing and producing” relates to patent. The packing, re-packing and using marks that may confuse the public as to the identity of the product amounts to a trade mark infringement and the definition relating to violation of an author's rights refers to copyright infringement. Thus it can be said that in Kenya the counterfeiting means infringement of intellectual property rights. It follows that the distinction created by the applicant by hanging on the alleged difference in colours or the bottles cannot stand. This is because, as the foregoing analysis of the definition shows, counterfeiting is wide enough to cover infringement of intellectual property rights.

70. From the foregoing, it is clear that the applicant only got stuck in one statute, namely, the Trade Mark Act and forgot that in identifying the anti- counterfeit laws in Kenya, it is vital to consider the intellectual property doctrines. This is for the simple reason that counterfeiting is considered as infringement of intellectual property in Kenya, thus the laws that protect the intellectual property rights can be considered as anti-counterfeit laws. As Prof. Ben Sihanya correctly puts it, the intellectual property doctrines which are relevant to combating counterfeit trade include: patent, trade secrets, trade mark and copyright.⁶⁶This can also be demonstrated by the definition of counterfeiting which includes the infringement of patent, trade mark and copy rights. It thus follows that the substantive laws that protect these intellectual property rights are part of the anti-counterfeiting laws. It is my finding that a valid complaint was laid before the Respondent and that the first Respondent acted properly within its wide mandate under the above cited provisions. In fact, there was no effort to demonstrate that the impugned

⁶⁶ Moni Wekesa in MoniWekesa and Ben Sihanya (eds) (2009) “An Overview of The Intellectual property Rights (IPRS) Regime In Kenya,” Intellectual property Rights in Kenya, Konrad Adenauer Stiftung , Sports Link Limited , Nairobi at http://www.kas.de/wf/doc/kas_18323-1522-2-30.pdf?110214131726 (accessed on 16/11/2019).

decision cannot be read in a manner that is consistent with the enabling statute. On this ground alone, this application must fail.

d. Whether the applicants are citing merit grounds

71. The first Respondent's counsel submitted that the applicants delved into the merits and demerits of the case by stating that upon comparing the products he concluded that there is no resemblance. He argued that the question whether the applicant's goods are not counterfeit is a matter of evidence and relied on *Thomas Nyakambi Maosa v Kibera Chief Magistrate & 3 others*,⁶⁷ *Republic v Public Procurement Administrative Review Board & 3 others ex parte Olive Telecommunication PVT Ltd*⁶⁸ and *Isaack Osman Sheikh v IEBC & others*⁶⁹ for the proposition that judicial review deals with the legality of the decision making process and not the merits and it is not in the nature of an appeal.

72. The applicants' counsel did not address this issue even though it was raised in the first Respondents' submissions.

73. The argument the products are different and distinct is essentially an issue of fact. It is basic to law that Judicial Review is ill equipped to deal with disputed matters of fact where it would involve fact finding on an issue which requires proof to a standard higher than the ordinary balance of probabilities in civil litigation. The attempt to compare the products and determine whether they resemble each other requires direct evidence to be adduced and tested through cross-examination of witnesses before the court can make conclusions⁷⁰ whether the products are not similar. This position has been upheld in numerous decisions by our superior courts. In *Republic v National Transport & Safety Authority & 10 others Ex parte James Maina Mugo*⁷¹ it was held:-

"55. It follows therefore that where the resolution of the dispute before the Court requires the Court to make a determination on disputed issues of fact that is not a suitable case for judicial review. The rationale for this is that judicial review jurisdiction is a special jurisdiction which is neither

⁶⁷ {2005} 2 KLR 189.

⁶⁸ {2014} e KLR.

⁶⁹ Civil Appal No. 180 of 2013.

⁷⁰ Counsel cited *Republic vs Land Registrar Taita Taveta District & Another* {2015} eKLR

⁷¹ {2015} e KLR.

civil nor criminal. It follows that where an applicant brings judicial review proceedings with a view to determining contested matters of facts and in effect determine the merits of the dispute the Court would not have jurisdiction in a judicial review proceeding to determine such a dispute and would leave the parties to ventilate the merits of the dispute in the ordinary civil suits.”(Emphasis supplied)

74. Judicial review looks into the legality of the dispute not contested matters of evidence which is outside the scope of judicial review jurisdiction. Determining the similarity of the items will involve a merit review, a function that is outside the purview of Judicial Review jurisdiction. I am fortified by the decision in *Seventh Day Adventist Church (East Africa) Limited v Permanent Secretary, Ministry Of Nairobi Metropolitan Development & another*⁷²that:-

“...Where the determination of the dispute before the court requires the court to make a determination on disputed issues of fact that is not a suitable case for judicial review since judicial review jurisdiction is a special jurisdiction which is neither civil nor criminal and the Civil Procedure Act does not apply. It is governed by sections 8 and 9 of the Law Reform Act being the substantive law and Order 53 of the Civil Procedure Rules being the procedural law....” (Emphasis added)

75. Also relevant is *Republic v Attorney General & 4 others ex-parte Diamond Hashim Lalji and Ahmed Hasham Lalji*⁷³which stated:-

“...It follows that where an applicant brings judicial review proceedings with a view to determining contested matters of facts and in effect urges the court to determine the merits of two or more different versions presented by the parties the court would not have jurisdiction in a judicial review proceeding to determine such a matter and will leave the parties to resort to the normal forums where such matters ought to be resolved. Therefore judicial review proceedings are not the proper forum in which the innocence or otherwise of the applicant is to be determined and a party ought not to institute judicial review proceedings with a view to having the Court determine his innocence or otherwise. To do so in my view amounts to abuse of the judicial process. The Court in judicial review proceedings is mainly concerned with the question of fairness to the applicant...”

⁷² {2014} e KLR.

⁷³ {2014} e KLR.

76. The above excerpts capture the position with sufficient clarity. Judicial Review does not deal with contested issues of facts which requires parties to adduce evidence and be cross-examined. Indeed in *Republic vs Registrar of Societies & 3 Others ex parte Lydia Cherubet & 2 others*⁷⁴ the court decried the practice of bringing claims through Judicial Review which require the court to embark on an exercise that calls for determinations to be made on merits which in turn requires evidence to be taken to decide issues of fact.⁷⁵

e. Whether this suit offends the doctrine of exhaustion

77. The appellant's counsel cited section **25(3)** of the Act and submitted that the applicants did not exhaust the remedies provided under the Act. To fortify his argument, counsel cited section **9(2) (3) (4)** of the Fair Administrative Action Act⁷⁶ which provides for exhaustion of administrative remedies provided in a statute.

78. Whereas the doctrine of exhaustion of remedies can in appropriate cases divest a court of jurisdiction to entertain an application for judicial review where an applicant has not exhausted the dispute resolution mechanism under the act. However, this argument ignored the principles to be considered before invoking the doctrine of exhaustion. The principle running through decided cases on the exhaustion doctrine is that where there is an alternative remedy, or where Parliament has provided a statutory appeal process, it is only in exceptional circumstances that an order for Judicial Review would be granted. In determining whether an exception should be made, and Judicial Review granted, it is necessary for the court to look carefully at the suitability of the statutory appeal mechanism, in the context of the particular case, and ask itself what, in the context of the internal appeal mechanism is the real issue to be determined, and whether the appeal mechanism is suitable to determine it.

79. The other principle suggested by case law for limiting the applicability of the doctrine of exhaustion in appropriate cases is that, a statutory provision providing an alternative forum for dispute resolution must be carefully read so as not to oust the jurisdiction of the court to

⁷⁴ {2016} e KLR.

⁷⁵ Counsel also cited *Seventh Day Adventist Church vs Nairobi Metropolitan Development* {2014} eKLR in which a similar position was held.

⁷⁶ Act No. 4 of 2015.

consider valid grievances from parties who may not have audience before the forum created, or who may not have the quality of audience before the forum which is proportionate to the interests the party wishes to advance in a suit. The rationale behind this reasoning is that statutory provisions ousting court's jurisdiction must be construed restrictively.

80. Section **25(3)** of the act provides that:-

(3) Any person aggrieved by a seizure of goods under section 23 may, at any time, apply to a court of competent jurisdiction for a determination that the seized goods are not counterfeit goods and for an order that they be returned to him.

81. A faithful reading of the above provision shows that it only applies where a person seeks a determination that the seized goods are not counterfeit. Before me is a judicial review application challenging the legality of the issuance of the seizure notice and the manner in which the statutory power was exercised. The argument that the goods are not counterfeit is not the only argument. The challenge relating to the legality of the manner in which the power was exercised cannot be addressed under section **25(3)** of the Act.

f. Whether the applicant has established any grounds to warrant the judicial review orders

82. Judicial review is about the decision making process, not the decision itself. The role of the court in judicial review is supervisory. It is not an appeal and the court should not attempt to adopt the 'forbidden appellate approach'. Judicial review is the review by a judge of the High Court of a decision; proposed decision; or refusal to exercise a power of decision to determine whether that decision or action is unauthorized or invalid. It is referred to as supervisory jurisdiction - reflecting the role of the courts to supervise the exercise of power by those who hold it to ensure that it has been lawfully exercised.

83. The role of a judicial review court was stated in *Republic v National Water Conservation & Pipeline Corporation & 11 Others*⁷⁷ that once a judicial review court fails to sniff any *illegality, irrationality or procedural impropriety*, it should down its tools. Judicial intervention is posited on the idea that the objective is to ensure that the agency did remain within the area assigned

⁷⁷ {2015} eKLR.

to it by Parliament. If the agency was within its assigned area then it was *prima facie* performing the tasks entrusted to it by the legislature, hence not contravening the will of Parliament. In such a case, a court will not interfere with the decision. The courts' function is to police the boundaries stipulated by Parliament. The applicant is clearly faulting the merits of the decision a clear invitation to this court to delve into merit review which is outside the scope of Judicial Review proceedings.

84. Judicial intervention in Judicial Review matters is limited to cases where the decision was arrived at in excess of jurisdiction, arbitrarily, capriciously, *mala fides* or in breach of natural justice. This position was best explained in *Kenya National Examinations Council vs. Republic Ex Parte Geoffrey Gathenji Njoroge & Others*:⁷⁸

“The order of mandamus is of a most extensive remedial nature, and is, in form, a command issuing from the High Court of Justice, directed to any person, corporation or inferior tribunal, requiring him or them to do some particular thing therein specified which appertains to his or their office and is in the nature of a public duty. Its purpose is to remedy the defects of justice and accordingly it will issue, to the end that justice may be done, in all cases where there is a specific legal right or no specific legal remedy for enforcing that right; and it may issue in cases where, although there is an alternative legal remedy, yet that mode of redress is less convenient, beneficial and effectual. The order must command no more than the party against whom the application is legally bound to perform. Where a general duty is imposed, a mandamus cannot require it to be done at once. Where a statute, which imposes a duty, leaves discretion as to the mode of performing the duty in the hands of the party on whom the obligation is laid, a mandamus cannot command the duty in question to be carried out in a specific way.” [Emphasis mine]

85. A reading of the enabling statute leaves me with no doubt that it imposes a general duty upon the first Respondent to undertake the impugned decision. The relevant provisions of the law were adhered to in issuing the Seizure Notice. The discretionary nature of the Judicial Review remedies sought in this application means that even if a court finds a public body has acted wrongly, it does not have to grant any remedy. Examples of where discretion will be exercised against an applicant may include where the applicant's own conduct has been unmeritorious or unreasonable, for example where the applicant has unreasonably delayed in applying for judicial review, where the applicant has not acted in good faith, or has violated the law or

⁷⁸ Civil Appeal No. 266 of 1996 {1997} e KLR.

committed a criminal offence or where a remedy would impede the authority's ability to perform its functions, or where the judge considers that an alternative remedy could have been pursued.

86. Emphasizing the discretionary nature of judicial review remedies, the court in *Republic v Judicial Service Commission ex parte Pareno*⁷⁹ held that judicial review orders are discretionary and are not guaranteed and hence a court may refuse to grant them even where the requisite grounds exist since the court has to weigh one thing against another and see whether or not the remedy is the most efficacious in the circumstances obtaining and since the discretion of the court is a judicial one, it must be exercised on the evidence of sound legal principles. Since the court exercises a discretionary jurisdiction in granting judicial review orders, it can withhold the gravity of the order where among other reasons the a public body has done all that it can be expected to do to fulfil its duty or where the remedy is not necessary or where its path is strewn with blockage or where it would cause administrative chaos and public inconvenience or where the object for which application is made has already been realised.⁸⁰ In the instant case the first Respondent did all that the law permits it to do.

87. The applicant prays for an order *ma Mandamus*. *Mandamus* will issue to compel a person or body of persons who has failed to perform a duty to the detriment of a party who has a legal right to expect the duty to be performed.⁸¹ Simply put, *Mandamus* is a judicial command requiring the performance of a specified duty which has **not been** performed. I only need to rely the Court of Appeal decision in *Makupa Transit Shade Limited & Anor vs. Kenya Ports Authority & Another*⁸² to show that the order of *Mandamus* sought by the applicants in this case is wholly underserved:-

*“What of the Order of mandamus” The general rule is that the issuance of mandamus is limited to where there is specific legal remedy for enforcing it or the alternative legal remedy is less convenient, beneficial and effectual.*⁸³ Its scope against public bodies is limited to performance of

⁷⁹ {2004} 1 KLR 203-209

⁸⁰ See *Anthony John Dickson & Others vs. Municipal Council of Mombasa*, Mombasa HCMA No. 96 of 2000.

⁸¹ See *Kenya National Examinations Council vs R ex parte Geoffrey Gathenji Njoroge & 9 Others* {1997} eKLR.

⁸² {2015} e KLR.

⁸³ See *Halsbury Laws of England* 4th ed. Vol. 1. Para 89.

a public duty where statute imposes a clear and unqualified duty to do that act.⁸⁴ However if the duty is discretionary as to its implementation, then mandamus cannot dictate the specific way the decision will be exercised. Where a statute, which imposes a duty leaves discretion as to the mode of performing the duty in the hands of the party on whom the obligation is laid, a mandamus cannot command the duty in question to be carried out in a specific way.⁸⁵ ...The applicant in addition has to show that it has a legal right to the performance of the legal duty by the party against whom it issues.”

88. The applicant pray for a writ of *certiorari*. *Certiorari* is used to bring up into the High Court the decision of some inferior tribunal or authority in order that it may be investigated. If the decision does not pass the test, it is quashed – that is to say, it is declared completely invalid, so that no one need respect it. The underlying policy is that all inferior courts and authorities have only limited jurisdiction or powers and must be kept within their legal bounds. No material has been presented before me to show that the decision is tainted with illegality or procedural impropriety to warrant the writ of *certiorari*.

89. The applicant also seeks an order of *Prohibition*. The writ of *Prohibition* arrests the proceedings of any tribunal, corporation, board or person, when such proceedings are without or in excess of the jurisdiction of such tribunal, corporation, board or person. A prohibiting order is similar to a quashing order in that it prevents a tribunal or authority from acting beyond the scope of its powers. The key difference is that a prohibiting order acts prospectively by telling an authority not to do something in contemplation. A writ of *prohibition* cannot issue in the circumstances because it has not been shown that the Respondents exceeded their powers. In case the Seizure Notice has already been issued. There is nothing to prohibit.

90. Judicial Review is more concerned with the manner in which a decision is made than the merits or otherwise of the ultimate decision. As long as the processes followed by the decision-maker are proper, and the decision is within the confines of the law, a court will not interfere. I have

⁸⁴ See *Manyasi v. Gicheru & 3 Others*, [2009] KLR 687.

⁸⁵ See *Halsbury's Law of England*, 4th Ed Vol. 1

already held that the common law right of passing off applies in this case. I have already determined that no illegality has been established.

91. The first Respondent is vested with powers to undertake the seizure upon reasonable suspicion that an offence has been or is likely to be committed. No abuse of such powers has been proved. It has not been shown that this power was not exercised as provided under the law. It has not been proved that the Respondent's officers acted outside their powers. An administrative decision can only be challenged for *illegality, irrationality and procedural impropriety*.

92. In view of my analysis, determination and conclusions arrived at herein above, it is my finding that the applicants have not established any grounds for the court to grant any of the judicial review orders sought. Accordingly, the applicant's application dated **13th February** 2017 is hereby dismissed with costs to the Respondents. For avoidance of doubt, the orders of stay granted on **16th** day of February 2017 are hereby discharged.

Right of appeal

Dated, Signed and Delivered at Nairobi this 7th day of May 2020

John M. Mativo

Judge