



REPUBLIC OF KENYA

IN THE HIGH COURT OF KENYA AT NAIROBI

JUDICIAL REVIEW DIVISION

JUDICIAL REVIEW MISCELLANEOUS APPLICATION NUMBER JR. 83 OF 2012

REPUBLIC

VERSUS

THE ANTI COUNTERFEIT AGENCY1ST RESPONDENT

THE DIRECTOR OF PUBLIC

PROSECUTIONS2ND RESPONDENT

COMMISSIONER OF POLICE.....3RD RESPONDENT

THE CHIEF MAGISTRATE'S COURT

AT NAIROBI4TH RESPONDENT

EX-PARTE

OMEGA CHALK

INDUSTRIES (1993) LIMITED1ST APPLICANT

CHEMICAL AND SCHOOL SUPPLIES LIMITED ..2ND APPLICANT

AND

OMEGA SCHOOL BOARDS AND

ACCESSORIES LIMITEDINTEREST PARTY

**IN THE MATTER OF: AN APPLICATION BY OMEGA CHALK INDUSTRIES (1993) LIMITED and
CHEMICAL AND SCHOOL SUPPLIES LIMITED FOR ORDERS OF PROHIBITION, CERTIORARI
AND MANDAMUS**

AND

**IN THE MATTER OF: THE CHIEF MAGISTRATE'S COURT AT NAIROBI MISCELLANEOUS
APPLICATION NO. 192/2012**

AND

IN THE MATTER OF: THE TRADE MARKS ACT CHAPTER 506 OF THE LAWS OF KENYA

JUDGEMENT

Introduction

1. By a Notice of Motion dated 29th March, 2012, the *ex parte* applicants herein, **Omega Chalk Industries (1993) Limited** and **Chemical and School Supplies Limited** seeks the following orders:

i) **An order of Prohibition do issue directed to the Anti Counterfeit Agency, the Director of Public Prosecution, The Commissioner of Police and the Chief Magistrates' Court at Nairobi, being the 1st to 4th Respondents herein prohibiting them from seizing the Applicants' goods, arresting, charging and/or prosecuting the ex-parte Applicants or their Directors.**

ii) **An order of certiorari do issue removing into this Court for the purpose of being quashed and quashing the orders of the Chief Magistrate's court at Nairobi issued on the 13th day of February, 2012.**

iii) **An order of certiorari do issue removing into this Court for the purpose of being quashed and quashing the seizure Notice or order *in situ* by the 1st Respondent, the Anti Counterfeit Agency made on the 15th day of February, 2012 against the 2nd ex-parte Applicant's goods.**

iv) **An order of Mandamus do issue to compel the 1st Respondents to lift/discharge the seizure *in situ* made against the 2nd ex parte Applicants goods seized *in situ* on the 15th day of February, 2012 pursuant to seizure order made by the 4th Respondent on the 13th day of February, 2012.**

v) **Costs of this suit and Application be provided for.**

Ex Parte Applicant's Case

2. The application was based on the fact that the substance of the matter the subject hereof was pending before the Registrar of Trade Marks in the matter of Trade Mark TM No. 63557 in which the Applicants filed an Application to have the said Trade Mark Registered by Omega School Boards and accessories Limited expunged from the Register.

3. It was the applicants' case that Chemical and School Supplies Limited was registered as a Limited Liability Company under the Laws of Kenya on the 15th day of November, 1998 while Omega Creative Industries (1993) Limited was registered in the Republic of Israel on the day 29th of December, 1993. The said Omega Creative Industries (1993) Limited, it was averred is the manufacturer of the products known as Omega Dustless Chalk and have been producing at its factory in Jordan and selling the same internationally for over 20 years. On the other hand Chemical and School Supplies Limited has been importing from Omega Creative Industries (1993) Limited and exclusively distributing the said chalk to various outlets within the East and Central African Region for the last 20 years.

4. However, sometimes in the years 2004, 2006 and again in the year 2010 Chemical and School Supplies Limited attempted to register the Trade mark “**Omega Dustless Chalk**” under class 16 which application was rejected for the reason that the mark was already registered by a Swiss Watch Manufacturer being Trade Mark No.614933 “OMEGA” across all the Classes including the said Class 16 in the name of (Omega AG) Omega Limited of Jacob Stampfli Strasse-Switzerland and as such the same was not available for registration. Shortly thereafter the Applicant discovered that an entity by the name Omega School Boards and Accessories Limited had registered the Trade mark “**Omega Dustless Chalk**” under Class 16 on the **2nd day of July, 2008** and a Certificate issued by the Registrar.

5. It was the applicants’ case that the said Trade Mark should be expunged from the Register on the grounds the Registration of the Trade Mark offends Section 15A of the **Trade Marks Act** Cap. 506 in so far as it purports to register a trade that is of a well known internationally and already registered brand, registered under an International registration regime recognized in Kenya being Trade Mark No.614933 “OMEGA” in all classes in the name of Omega as (Omega AG) Omega Limited of Jacob Stampfli – Strasse, Switzerland that Kenya is a signatory to the Agreement on Trade Related Aspects of Intellectual property (TRIPs) included in the 1994 Marakesh Convention that created the worked trade organization (WTO) and entered in force in 1995 and whereas TRIPs protects Trade Marks and other intellectual property, The Paris convention of 1883 contains rules for protection of well known marks from unauthorized use even if they are not Registered (article 6 bis (1); that the proprietor’s Trade mark is invalid having been registered by an entity which at the time of the purported registration was not legally existent. This was based on the fact that the official search certificate showed the proprietor’s date of incorporation as being the 8th day of October, 2009 while the Certificate of Registration of its Trade mark was dated the 2nd day of July, 2008; that in the alternative and without prejudice to the foregoing grounds, the Registration of the Trade mark offends Section 15A of the **Trade Marks Act** which specifically precludes Registration of a Trade Mark of a well known mark being “**Omega**” **TM No. 614933** aforesaid and “**Omega Dustless Chalk**”; that the Registration is coloured with fraud, deception, non-disclosure/concealment, error, mistake, misrepresentation of material facts and that the mark infringes on a mark registered and recognized Internationally being “Omega” Trade Mark number 614933 in the name of Omega Sa (Omega AG) Omega Limited of Switzerland and that the same is liable to being expunged under Section 16 1(a) and (b) of the Trade Mark Act Cap. 506; that the Trade Mark does not meet the threshold of distinctiveness enshrined on Section 12 of the **Trade marks Act**; that the Trade Mark offends the Provisions of Section 18(2) (b)(i) and (ii) of the **Trade Mark Act** since the proprietor did not register a disclaimer knowing fully well that the words used were well known and solely consisted words, descriptions and pictures (graphics) which were under Common Law and registration in use trade and protection before the proprietor’s purported registration both by the Applicants and the above said Omega Sa (Omega AG) Omega Limited of Switzerland; that the Trade Mark was registered with any bona fide intention on the part of the proprietor that it should be used in relation to those goods or services by it, and that there has in fact been no bona fide use of the Trade mark in relation to the goods or services by the proprietor and the same is thus liable to being taken off the Register Pursuant to Section 29(1) of the **Trade Marks Act**; that by virtue of the fraud, non disclosure, misrepresentation, wrong entry, error and/or defect aforesaid the Registrar should direct that the said registration of the Trade mark should be cancelled and/or that the register be rectified so as to enter an appropriate disclaimer or memorandum relating to the Trade Mark Pursuant to Rules 25 and 35 of the **Trade Marks Act**; that the Proprietor has acquiesced for a period of more that 5 years to the continuous use of the registered trademark and is therefore stopped from the exclusive use of the Trade mark of opposition thereto as enshrined in Section 36B of the **Trade Marks Act**; and that the Applicants have had continuous trade use of the products protected under the Trade Mark for a period of over 20 years and as such have acquired a common law right upon the said Trade Mark as recognized under Section 49 of the **Trade marks Act**.

6. It was contended that the proprietor has lodged a complaint with the Anti Counterfeit Agency in which complaint the proprietor has alleged abuse of its intellectual property rights and has caused the said Agency to issue a seizure order *in situ* against the 2nd Applicant and his suppliers. However, the proprietor has since withdrawn the complaint against the 2nd Applicant's customers and as a consequence has actively acquiesced in the trade use of the Trade Mark of the goods he purports infringed on his Trade Mark hence the Applicants plea of estoppels under Section 36B of the **Trade Marks Act**. It was the applicants' apprehension that their businesses and distribution outlets with turnover stock worth over US Dollars 400,000 per annum and business reputation of over twenty years was at stake and stood the risk of waste and irreparable loss should the prayer sought in the Application filed herewith not issue.

7. The applicants were further apprehensive of the real and founded fear that their arrest and prosecution was imminent and that they might be charged and prosecuted in derogation of their constitutional rights and which prosecution was actuated by malice, illegality, misrepresentation and constituting an abuse of the process of Court. It was averred that the Application was necessitated by the fact that the Applicants' goods had been seized *in situ* following search warrants issued by the 3rd Respondent and at the behest of the 1st Respondent and in pursuance of an illegality and an abuse of the process.

8. The applicants' case was the 4th Respondent issued orders adverse to the 2nd Applicant ex-parte and without hearing the 2nd Applicant in complete derogation of the principles of natural justice and the constitution and that the Respondents' acts were prejudicial to the Applicants' pending case before the Registrar of Trade Marks was manifestly oppressive, injurious to the Applicants' business concerns and was without any justification in Law or fact.

9. Supporting the application was a six paragraph verifying affidavit sworn by **Amit Shah** on 14th March, 2012. That affidavit did not however contain much in terms of the facts and was economical thin on the relevant material. I shall revisit this issue later in this judgement.

1st Respondent's Case

10. In opposing the application, the 1st respondent filed a replying affidavit sworn by **Abdikadir Mohamed**, its Assistant Director-Enforcement.

11. According to the deponent, the ex-parte Applicants have been counterfeiting a registered trade mark of other entities with full knowledge and utter impunity and indeed have so admitted the same to the 1st Respondent yet they do not have a registered trade mark in their name or otherwise in Kenya or elsewhere called "**Omega**" with any distinguishing marks or at all and that they have been so aware of the same and hence the ex-parte Applicants have been knowingly counterfeiting the registered "Omega" trade mark as admitted in their letter.

12. It was deposed that on or about 13th February 2012, the 1st Respondent did receive a formal complaint from the Interested Party herein which was duly paid for as required by the **Anti-Counterfeit Regulations**, 2010. Accompanying the complaint was, inter alia, a certificate of registration of trade mark issued by the Registrar of Trade Marks in the name of the Interested Party. According to the deponent, registration of a trade mark automatically confers on the registrant a protectable right and based on the subsistence of the certificate of registration provided by the Interested Party, the 1st Respondent was prima facie convinced that a right existed that warranted protection from abuse hence as the aforesaid complaint met that threshold and requirement set out under the Anti-Counterfeit Regulations, 2010, the 1st Respondent caused an inspection to be carried out on or about 15th February

2012 that led to the seizure *in situ* of goods bearing the infringing mark as alleged in the complaint. The seized goods, it was deposed bore the trade mark in the name of the Interested Party herein and that consequent to the seizure, the ex-parte Applicants did approach the 1st Respondent with an explanation surrounding the trade mark and the goods in respect thereof which letters indicated that the 1st Respondent did accord the ex part Applicants a chance to be heard prior to any further precipitate action and that the same was at their request.

13.It was therefore contended that he application before the Honourable Court is fatally defective and incurably incompetent and is liable only to be struck out with costs ad further that it is a gross abuse of the process of this Honourable Court and has been brought only to vex and annoy the 1st Respondent in the execution of its statutory mandate of protecting from abuse intellectual property rights.

14.The deponent disclosed that the ex parte Applicants have engaged in peddling of irrelevant mater before this court which clearly demonstrates that the application is an abuse of the process of the court and are meant only to annoy and vex the Respondents. To the contrary, the orders issued by the 4th Respondent were lawful, proper and procedural and that it is unheard of for any suspect in the civilized world or otherwise to be informed in advance of an imminent criminal action as that would be an automatic ticket to loss of evidence and that is why search warrants are ex part so along as the basic facts to create a reasonable suspicion of criminality have been demonstrated.

2nd Respondent's Case

15. On behalf of the 2nd Respondent, the following grounds of opposition were filed in opposition to the application:

1. The mis joinder of the 2nd Respondent who has the mandate to prosecute criminal offences under Article 157 (6) of the Constitution. The matter before the court was investigated, prosecuted and goods seized by Anti-counterfeit Agency which is a body corporate and is capable of suing and being sued.

2. Under Article 157(10) of the Constitution, the Director of Public Prosecutions does not require the consent of any person or authority for the commencement of criminal proceedings and in the exercise of the powers or functions, shall not be under the direction or control of any person or authority.

3. The Notice of Motion is misconceived, frivolous, vexatious, as the Applicants have not demonstrated how the 2nd Respondent acted without jurisdiction and or in excess of the jurisdiction.

4. It is in the public interest that perpetrators of crimes are prosecuted.

5. Notice of Motion is without merit and should be dismissed with cost the 2nd respondent as section 193A of the Criminal Procedure Code recognizes both Civil and Criminal cases being prosecuted concurrently.

Interested Party's Case

16.The Interested Party on its part opposed the application vide a replying affidavit sworn by **Richard Nguhu Kimani** its director on 16th July, 2012.

17. According to the deponent, the Applicants have no locus/standing to institute this Application under Section 15A of the **Trade Marks Act**.

18. According to the deponent, there was no disclosure of any interest or interests that Omega Creative Industries (1193) Ltd has in the subject application and is a stranger to the subject application; that there is no exhibited evidence, other than a photocopy of some packaging, to support the insinuation that the said Omega Creative Industries (1993) Ltd has been manufacturing, in Jordan, omega dustless chalk for a period of over 20 years; and there is no exhibited evidence proving the allegation that Omega Creative Industries (1193) Ltd was registered on 29th December, 1993. To the contrary, what was annexed was a document tending to show that an entity by the name Omega was registered in the State of Israel as a collective agriculture association on 29th April, 2007.

19. It was however denied that the 2nd Applicant has been importing from one Omega Creative Industries (1993) Ltd, and exclusively distributing, Omega Dustless Chalk for the last 20 years since the earliest exhibited copy of any Agreement between the Omega Creative Industries (1993) Ltd and the 2nd Applicant is the one dated 1st October, 2001; that a letter dated 17th November 2009 ostensibly from one Omega-Israel indicates that the said Omega-Israel started dealing with Chemical and School Supplies Ltd from October 2001 which is hardly a period of 20 years; and that it is impossible to know from the Applicant's Statement of Case whether Omega-Israel, Omega Creative Industries (1993) Ltd, Omega Chalk Industries (1993) Ltd – one of the Applicants herein and Omega – a Collective Agriculture Association is one and the same entity or are different entities.

20. It was further contended that there is no exhibited evidence that the 2nd Applicant Limited applied for registration of the Trademark 'Omega Dustless Chalk' in the years 2004 and 2006; the first exhibited application by the 2nd Applicant for registration of Omega Dustless Chalk as Trademark is dated 12th May, 2010; that there is no exhibited response or any by the Trademarks Examiner to the said Trademark application by the 2nd Applicant; that what has been irrelevantly annexed by the Applicants is a letter dated 21st January, 2010 which letter is a response letter addressed to Lubulellah & Associates Advocates with regard to some Trademark application in the name of Al-Hassan Industrial Estate Ramth; and that the Applicants' have also not stated whether 'Omega Dustless Supplier or Suppliers namely: Omega-Israel, Omega Creative Industries (1993) Ltd, Omega Chalk Industries (1993) Ltd or Omega- a Collective Agriculture Association. It was therefore the interested party's position that it is not true that the 2nd Applicant alleged Trademark application was rejected on grounds that the mark sought to be registered was already registered by a Switch Watch Manufacturer, whose Manufacturer's Trademark is a mathematical symbol ? and not the word Omega.

21. It was averred that Omega School Boards and Accessories and not Omega School Boards and Accessories Limited applied for registration of a Trademark composing of *"a pictorial element comprising a laughing Bumble Bee holding a black briefcase on the left hand and a club on the other; a diagonal streak of yellow clouds and bundle of seven grey clubs on the bottom right hand corner with the background colour scheme of the log being Cyan Blue and a streak of yellow surrounded by red and the text in the log being 'OMEGA SCHOOL BOARDS AND ACCESSORIES"* on 2nd July 2008 and the approval for the said Trademark application was given by KIPI (Kenya Industrial Property Institute) vide their letter dated 22nd July 2008 and the said Trade Mark was registered on 2nd July, 2008 with the proprietor being Omega School Boards and Accessories which on the 8th October 2009 became an incorporated Limited Liability Company registered under the **Companies Act** (Cap 486) Laws of Kenya with the new name Omega School Boards and Accessories Limited, the Interested Party herein and the Registrar Trade Marks was notified of the fact of incorporation and change of name which facts were subsequently entered in the Register of Trade marks on 14th October, 2009 and a Certificate of Change of name dated 26th October, 2009 issued by the Assistant Registrar of Trade marks to the Interested

party herein.

22. Based on legal advice, it was deposed that as concerns well known trademarks, Section 15A of the **Trade Marks Act** is only available, first, to the proprietor of a Trade Mark of which the Applicants are not; secondly, to the proprietor of a Trade Mark well known in Kenya; and thirdly, to the proprietor of a Trade mark well known in Kenya and who is entitled to protection under the Paris Convention or the WTO Agreement as the proprietor of a well known trade mark. The subject Trade Mark of the Interested Party composing of a *pictorial element comprising a laughing Bumble Bee holding a black briefcase on the left hand and a club on the other; a diagonal streak of yellow clouds and a bundle of seven grey clubs on the bottom right hand corner with the background colour scheme of the logo being Cyan Blue and a streak of yellow surrounded by red and the text in the logo being 'OMEGA SCHOOL BOARDS AND ACCESSORIES'* is not similar to the well known mathematical symbol π which is the Trade Mark of the famed Swiss Watch maker Omega SA (Omega AG) and for Section 15A of the **Trade Marks Act** to take effect, an inquiry will have to be first made to prove that a Trade Mark, any Trade Mark, is a well known Trade Mark in Kenya. However, the Interested Party is not the proprietor, registered or otherwise of any Trade Mark, if any exists named or containing the words "Omega Dustless Chalk" and it has not been established by the Applicants' why the Interested Party's Trade Mark (described in (b) above should be expunged under Section 16(1) (a) and (b) of the **Trade Mark Act**. In the deponent's view, the subject Interested Party's Trade mark passed the test of distinctiveness in Section 12(2) and (3) of the **Trade Marks Act** and that is why a Certificate of Registration of Trade Mark No.635557 was issued to Omega School Boards and Accessories and section 46 of the **Trade Marks Act** is quite clear that the fact that a person is registered as proprietor of trade mark shall be prima facie evidence of validity of the original registration of the trade mark. To the deponent, the Interested Party as a matter of fact registered a disclaimer wherein the words 'SCHOOL' and 'BOARDS' were disclaimed contrary to Applicants' allegations in paragraph 9(f) of their Statement of Case and no evidence has been tendered by the Applicants to prove their allegations that the Interested Party registered the subject trade mark without any bona fide intention of using it in relation to subject goods. Similarly there is no evidence tendered to prove that there has been no bona fide use of the subject Trade mark in relation to subject goods. To the contrary, the Interested Party has been using the Trade Mark in the instructional and teaching materials it sells for many years. Further no evidence has been tendered by the Applicants to prove their allegations therein of fraud, non-disclosure, misrepresentation, wrong entry or error to warrant cancellation of a validly registered and owned Trade Mark.

23. According to the deponent sometimes in the year 2009 the Interested Party noticed that he 2nd Applicant has infringed the trademark of the Interested Party registered under The **Trade Marks Act** in the name and style of "OMEGA SCHOOL BOARDS AND ACCESSORIES" Trademark as registration number 63557 under instructional and teaching materials especially boards and their accessories dealing in manufacturing, importation, distribution, supplying and selling "OMEGA" DUSTLESS CHALK while the 2nd Applicant in its business competition with the Interested Party has infringed the Interested Party's Trademark entitled "OMEGA SCHOOL BOARDS AND ACCESSORIES" entitled "OMEGA SCHOOL BOARDS AND ACCESSORIES" by using the name "OMEGA" dustless chalk which is a substantial part of the Interested Party's Trademark. On 6th November, 2009 the Interested Party instructed its Advocate on record to write a demand letter to the 2nd Applicant instructing them to cease and desist from infringing on its Trademark entitled "OMEGA" dustless chalk but the 2nd Applicant through its Advocates on record responded to the said demand letter denying any infringement upon the Interested Party's Trademark and insisting that the Trademark name "OMEGA" is the 2nd Applicant's trademark.

24. It was averred that sometimes in the year 2010 the Interested Party did carry out a search at Kenya Industrial Property Institute [KIPI] to seek details of the 2nd Applicant's Trademark registration

and it was revealed to the Interested Party that the 2nd Applicant had on 2nd July, 2010 applied for a Trademark name entitled “OMEGA” which application was refused and/or rejected and on 2nd February, 2012 the Interested Party through its then Advocates on record M/s Kiai Nuthu & Associates Advocates did notify its distributors and stockists of counterfeit goods in the market being distributed under the guise trademark name “OMEGA” and warning them of the consequences of trading and stocking of the counterfeit goods. On 6th February 2012 the 2nd Applicant’s Advocates on record distributed a circular letter stating that its client is the sole licensee of the manufacturer of the counterfeit products and the Interested Party, as soon as it realized infringement of its Trademark by the 2nd Applicant, lodged a complaint with the Anti-Counterfeit Agency who promptly swept into action arresting the infringer and seizing the infringing products. On 8th May, 2012 the said agency responded to the Interested Party’s letters advising it to seek legal redress in a civil court and on 20th February, 2012 the Interested Party was issued by the Register of Trademark with Certificate for Use in Legal Proceeding.

25. It was the Interested Party’s case that the 2nd Applicant frivolously and maliciously applied on 29th February, 2012 for the expunging of the Interested Party’s Trademark and this clearly shows that the 2nd Applicant is aware that the Trademark belongs to the Interested Party and which application the Interested Party has responded to. It was asserted that the Interested Party has not withdrawn its complaints against any infringers of its Trade Mark contrary to the allegations by the Applicants’ and it is the Interested Party who stands to lose immensely, both from its intellectual property and from its investments in and with its intellectual property should the Applicants’ prayers in the subject Judicial Review Application be allowed.

26. Being a Court of equity the interested party argued that the Applicants having approached this Honourable Court with unclean hands are not entitled to the Orders sought herein.

Determinations

27. I have considered the application, the affidavits both in support of and in opposition to the application, the grounds of opposition, the submissions as well as the authorities cited.

28. As already noted herein above, the affidavit filed which ought to have verified the facts relied upon was very thin on facts. In **Commissioner General, Kenya Revenue Authority Through Republic vs. Silvano Anema Owaki T/A Marenga Filing Station Civil Appeal No. 45 of 2000**, the Court of Appeal expressed itself as follows on this issue:

“We are certain that the issue of the procedure used does not arise inasmuch as the applicant has not ruled out the possibility of the bulk of the products containing the chemical used only in the products meant for export. That much is clear from some of the matters in the Statement accompanying the application for leave, which the Judge in his ruling, despite the statements purportedly of facts being worthless, appear to put a lot of faith in. The learned Judge decided the application for judicial review on the basis of inadmissible matters. We would observe that it is the verifying affidavit not the Statement to be verified, which is of evidential value in an application for judicial review. That appears to be the meaning of rule 1(2) of Order LIII. This position is confirmed by the following passage from the Supreme Court Practice 1976 Vol. 1 at paragraph 53/1/7:

‘The application for leave “By a statement” – The facts relied on should be stated in the affidavit (see R v. Wandsworth JJ. ex p. Read [1942] 1 KB 281). “The statement” should contain nothing more than the name and the description of the applicant, the relief sought, and the grounds on which it is sought. It is not correct to lodge a statement of all the facts, verified by an affidavit.’

At page 283 of the report of the case of R v. Wandsworth Justices, Viscount Caldecote CJ said:

'The Court has listened to argument on the proper procedure or remedy in the case of the exercise by an inferior court of a jurisdiction which it does not possess. It is, however, not necessary here to consider whether or not there has been a usurpation of jurisdiction, because there has been a denial of justice, and the only way in which that denial of justice can be brought to the knowledge of this court is by way of affidavit. For that reason the court is entitled, indeed, it is bound, if justice is to be done, to look at the affidavit just as it would in an ordinary case of excess of jurisdiction.' ”

29. It is therefore clear that it is the verifying affidavit which ought to contain the factual issues relied upon. This is necessarily so because judicial review applications are determined by way of affidavit evidence hence it is necessary that the factual issues be contained in an affidavit if the same are to be relied upon by a court of law. Unless this is done the material contained in the statement are mere statements which the Court cannot be expected to place much weight on.

30. In **Life Insurance Corporation of India vs. Panesar [1967] EA 614**, the East African Court of Appeal expressed itself as follows:

“Affidavits are intended to be probative of the facts which the party filing the affidavit seeks to prove before the court in the particular proceedings in which the affidavits are filed. The accumulated wisdom of the courts over the ages has laid it down that any attempt to prove facts save in accordance with such rules as the experience of the courts has shown to be essential is worthless. That the provisions of the Evidence Act do not apply to affidavits or to arbitration proceedings does not therefore mean that there exist no rules as to what may be set out in the affidavits, other than rule 3 of Order 18, or as to what evidence may be led before an arbitrator. To accept that would be to substitute chaos for order and to permit of any sort of evidence being placed before a court or an arbitrator as probative of the fact sought to be proved. Such an astounding position would require the highest authority before the court would accept it but there is none because the proposition is so manifestly wrong that no one has had the temerity in the past to advance it.”

31. In this case the applicants contend that they were not afforded an opportunity of being heard before the impugned action was taken. The right to a hearing is recognised in Article 47(1) and (2) of the Constitution which provide:

(1) Every person has the right to administrative action that is expeditious, efficient, lawful, reasonable and procedurally fair.

(2) If a right or fundamental freedom of a person has been or is likely to be adversely affected by administrative action, the person has the right to be given written reasons for the action.

32. That right however, is not one of the rights which under Article 25 of the Constitution cannot be limited.

33. This right was given judicial appreciation in **Onyango Oloo vs. Attorney General [1986-1989] EA 456** where it was held:

“The principle of natural justice applies where ordinary people would reasonably expect those making decisions which will affect others to act fairly and they cannot act fairly and be seen to

have acted fairly without giving an opportunity to be heard...There is a presumption in the interpretation of statutes that rules of natural justice will apply and therefore the authority is required to act fairly and so to apply the principle of natural justice...To “consider” is to look at attentively or carefully, to think or deliberate on, to take into account, to attend to, to regard as, to think, hold the opinion... “Consider” implies looking at the whole matter before reaching a conclusion...A decision in breach of the rules of natural justice is not cured by holding that the decision would otherwise have been right since if the principle of natural justice is violated, it matters not that the same decision would have been arrived at...It is improper and not fair that an executive authority who is by law required to consider, to think of all the events before making a decision which immediately results in substantial loss of liberty leaves the appellant and others guessing about what matters could have persuaded him to decide in the manner he decided...In the course of decision making, the rules of natural justice may require an inquiry, with the person accused or to be punished, present, and able to understand the charge or accusation against him, and able to give his defence. In other cases it is sufficient if there is an investigation by responsible officers, the conclusions of which are sent to the decision-making body or person, who, having given the person affected a chance to put his side of the matter, and offer whatever mitigation he considers fit to put forward, may take the decision in the absence of the person affected. The extent to which the rules apply depends on the particular nature of the proceedings...It is not to be implied that the rules of natural justice are excluded unless Parliament expressly so provides and that involves following the rules of natural justice to the degree indicated...Courts are not to abdicate jurisdiction merely because the proceedings are of an administrative nature or of an internal disciplinary character. It is a loan, which the Courts in Kenya would do well to follow, in carrying out their tasks of balancing the interests of the executive and the citizen. It is to everyone’s advantage if the executive exercises its discretion in a manner, which is fair to both sides, and is seen to be fair...Denial of the right to be heard renders any decision made null and void *ab initio*.” [Emphasis mine].

34. It is therefore clear that Parliament in its wisdom may expressly exclude the application of the rules of natural justice in certain circumstances.

35. Section 23 of the *Anti-counterfeit Act*, Cap 130A Laws of Kenya (hereinafter referred to as the Act) provides as follows:

(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
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 state

**(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)
(ii)

*the goods in question are found, or are manufactured
and
of*

(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.

36. Section 25 of the Act, on the other hand provides:

(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 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.**

37. I agree with the interested party that a reading of the above provisions and taking into account

the mischief that these provisions were meant to cure, it would defeat the purpose of the Act to require that the person in whose possession suspected counterfeit goods are to be heard before the power of seizure is exercised. Any wrongful seizure of the goods is to be dealt with under section 25 of the Act. If it was intended that a hearing precedes the seizure, section 25(3) of the Act would not have been necessary. That provision cannot be taken to be superfluous or unnecessary and must be given effect to.

38. A Court of competent jurisdiction in my view would be a court competent to consider the merits of the decision taken. Judicial review court on the other hand is not the court empowered to deal with merits hence in my view is not the court contemplated under section 25(3) of the Act. It follows that a Court in judicial review proceedings would not be entitled to quash a decision made by a Tribunal merely on such grounds as the decision being against the weight of evidence; that the Tribunal in arriving at its decision misconstrued the law; that the Tribunal believed one set of evidence as against another and that the Tribunal has ignored the evidence favourable to the applicant while believing the evidence not favourable to him.

40. Therefore it is my view that there is an alternative remedy which is more convenient and appropriate for the resolution of the issues raised herein. As was held by this Court in **Republic vs. Ministry of Interior and Coordination of National Government and Another ex parte ZTE** Judicial Review Case No. 441 of 2013:

“...one must not lose sight of the fact that the decision whether or not to grant judicial review orders is an exercise of judicial discretion and as was held by Ochieng, J in John Fitzgerald Kennedy Omanga vs. The Postmaster General Postal Corporation of Kenya & 2 Others Nairobi HCMA No. 997 of 2003, for the Court to require the alternative procedure to be exhausted prior to resorting to judicial review is in accord with judicial review being very properly regarded as a remedy of last resort though the applicant will not be required to resort to some other procedure if that other procedure is less convenient or otherwise less appropriate. Therefore, unless due to the inherent nature of the remedy provided under the statute to resort thereto would be less convenient or otherwise less appropriate, parties ought to follow the procedure provided for under the statute. This position was re-affirmed by the Court of Appeal in Speaker of The National Assembly vs. Karume Civil Application No. Nai. 92 of 1992, where it was held that there is considerable merit in the submission that where there is a clear procedure for redress of any particular grievance prescribed by the Constitution or an Act of Parliament, that procedure should be strictly followed. Accordingly, the special procedure provided by any law must be strictly adhered to since there are good reasons for such special procedures.”

41. It was further contended that the orders issued were in respect of reliefs not sought. As I have stated hereinabove, there is no mandatory requirement for a warrant. Apart from that the issue would go to the merits of the decision made by the Court since it would be a wrong decision arrived at rather than one made without jurisdiction hence would be a candidate for an appeal rather than judicial review.

42. With respect to legitimate expectation, it was held in **Keroche Industries Limited vs. Kenya Revenue Authority & 5 Others Nairobi HCMA No. 743 of 2006 [2007] KLR 240** as follows:

“.....legitimate expectation is based not only on ensuring that legitimate expectations by the parties are not thwarted, but on a higher public interest beneficial to all including the respondents, which is, the value or the need of holding authorities to promises and practices they have made and acted on and by so doing upholding responsible public administration. This in turn enables people affected to plan their lives with a sense of certainty, trust, reasonableness

and reasonable expectation. An abrupt change as was intended in this case, targeted at a particular company or industry is certainly abuse of power. Stated simply legitimate expectation arises for example where a member of the public as a result of a promise or other conduct expects that he will be treated in one way and the public body wishes to treat him or her in a different way....Public authorities must be held to their practices and promises by the courts and the only exception is where a public authority has a sufficient overriding interest to justify a departure from what has been previously promised.”

43. In this case I have no material upon which I can find that the applicants' legitimate expectations have been or are under a threat of being breached. The warrants and the seizure were issued and carried out to enable the complaint be investigated. Whether or not the investigations will unearth material which will be a basis upon which a decision will be made against the ex parte applicants arising from the seized goods or any of them is a matter which is premature at this stage to dwell on. If and when that stage is reached it is expected that the applicants' legitimate expectation that they will be subjected to the due will be safeguarded. The said due process is further provided under section 25 of the Act under the applicant can challenge the seizure.

44. The Court must also take cognisance of the fact that the substantive dispute herein revolves around the determination of the proprietorship of the trade marks in dispute. Unless that issue is resolved any orders granted by this Court will only resolve the “symptoms” while leaving the “ailment” in place. As is appreciated, in *Halsbury's Laws of England*^{4th} Edn. Vol. 1(1) para 12 page 270:

“The remedies of quashing orders (formerly known as orders of certiorari), prohibiting orders (formerly known as orders of prohibition), mandatory orders (formerly known as orders of mandamus)...are all discretionary. The Court has a wide discretion whether to grant relief at all and if so, what form of relief to grant. In deciding whether to grant relief the court will take into account the conduct of the party applying, and consider whether it has not been such as to disentitle him to relief. Undue delay, unreasonable or unmeritorious conduct, acquiescence in the irregularity complained of or waiver to the right to object may also result in the court declining to grant relief. Another consideration in deciding whether or not to grant relief is the effect of doing so. Other factors which may be relevant include whether the grant of the remedy is unnecessary or futile, whether practical problems, including administrative chaos and public inconvenience and the effect on third parties who deal with the body in question, would result from the order and whether the form of the order would require close supervision by the court or be incapable of practical fulfilment. The Court has an ultimate discretion whether to set aside decisions and may decline to do so in the public interest, notwithstanding that it holds and declares the decision to have been made unlawfully. Account of demands of good public administration may lead to a refusal of relief. Similarly, where public bodies are involved the court may allow ‘contemporary decisions to take their course, considering the complaint and intervening if at all, later and in retrospect by declaratory orders.”

45. Taking into account the existence of other legal proceedings in which as the applicants themselves put it “the matters the subject hereof...are either directly or indirectly related to these proceedings” it is my view that the parties herein ought to be left to finally dispose of their dispute in the said matters.

46. In the premises I find no merit in the Notice of Motion dated 29th March, 2012 which I hereby dismiss with costs.

47. It is so ordered.

Dated at Nairobi this 9th day of February, 2015

G V ODUNGA

JUDGE

Delivered in the presence of:

Miss Spira for the 2nd Respondent

Mr Kamau for Mr Njuguna for the interested party

Mr Lubullellah for the Applicant

Cc Patricia



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