

**IN THE COURT OF APPEAL  
AT NAIROBI**

**(CORAM: MUSINGA, GATEMBU & KANTAI, JJ.A.)**

**CIVIL APPEAL NO.292 OF 2017**

**BETWEEN**

**ANTI-COUNTERFEIT AGENCY..... APPELLANT**

**AND**

**BARLOWORLD LIMITED .....1<sup>ST</sup> RESPONDENT**

**MATCH MASTERS LIMITED.....2<sup>ND</sup> RESPONDENT**

**CONSOLIDATED WITH**

**CIVIL APPEAL NO. 280 OF 2017**

**MATCH MASTERS LIMITED ..... APPELLANT**

**AND**

**BARLOWORLD LIMITED ..... 1<sup>ST</sup> RESPONDENT**

**ANTI-COUNTERFEIT AGENCY ..... 2<sup>ND</sup> RESPONDENT**

*(Being an Appeal from the Judgment and Orders of the High Court of  
Kenya at Nairobi, (Mativo, J.) delivered on 28<sup>th</sup> June, 2017*

**in**

**Milimani Constitutional Petition No. 103 of 2017.)**

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**JUDGMENT OF THE COURT**

1. This appeal arises from the judgment of Mativo,J. granting orders that had been sought by Barloworld Limited, the 1<sup>st</sup> respondent, in its petition dated 22<sup>nd</sup>

- March, 2017. According to its petition, the 1<sup>st</sup> respondent had imported a consignment of match boxes worth about Kshs. 6,000,000.00 from India, having acquired all the requisite approvals both in India and Kenya, and allowing the petitioner to sell the match boxes locally.
2. The 1<sup>st</sup> respondent further stated in its petition that on 19<sup>th</sup> November, 2016, the appellant, without any notice, forcefully entered its premises at Kijabe Street, Nairobi, and illegally seized the said consignment, claiming that they were counterfeits. Thereafter, **Criminal case No. 308 of 2017, Republic vs Barloworld Ltd and George Ngugi Wambui** was instituted.
  3. The 1<sup>st</sup> respondent complained that the said criminal case was instituted without a legitimate complaint. The 1<sup>st</sup> respondent averred that the said acts contravened **Articles 21(1) 22, 23(1) (3), 24,27,28, (a) (b), 39 and 40** of the **Constitution** which guarantees security and freedom to own property; right not to have property seized without justifiable cause; and the right to have a fair trial and unbiased prosecution.
  4. The 1<sup>st</sup> respondent sought the following orders:
    - i) **“A prohibitory injunction be issued against the Nairobi Chief Magistrate Court Criminal Case**

**NO. 308/2017 Republic Vs Barloworld Limited and George Ngugi Wambui** prohibiting the said court from proceeding with the taking of plea, hearing and determination of the said criminal case until the hearing and determination of this petition.

- ii) A declaration that the petitioner's goods are not counterfeit goods, under the Anti-Counterfeit Act and the same be returned to the petitioner, and the seizure carried out on 19/11/2016 be deemed null and void as well as section 28 of the Anti-Counterfeit Act be deemed unconstitutional in as far as it applies to the petitioner's goods.
- iii) The Petitioner be awarded the costs of this petition.
- iv) This Honourable Court be pleased to make, any orders and directions within its jurisdiction."

5. The appellant opposed the petition vide a replying affidavit sworn by **Caspar Oluoch**, a Chief Inspector in the appellant's employment. The appellant stated that it is mandated to take action on counterfeit matters based either on a formal complaint or *suo motto* pursuant to information received under **section 33** of the **Anti-Counterfeit Act No. 13 of 2008 ( the Anti-counterfeit Act)**; that the prior approval of the seized goods in India or Kenya by the respective standards bodies is irrelevant to the determination of issues to do with abuse of intellectual property rights; that the 1<sup>st</sup> respondents' goods were seized on the basis of intelligence gathered and information relayed to the appellant that the goods were reasonably suspected to

- be counterfeit and were therefore lawfully seized and moved to the official counterfeit goods depot in accordance with the provisions of the law.
6. Thereafter the criminal case against the appellant was instituted, and the seized goods could not be interfered with, damaged or destroyed until the criminal case is determined. The appellant stated that the 1<sup>st</sup> respondent's goods were neither illegally seized neither were the 1<sup>st</sup> respondent's Constitutional rights breached at all.
  7. The appellant further stated that the issue before the Court was alleged abuse of the 2<sup>nd</sup> respondent's trade mark under the provisions of the *Trade Marks Act* and did not in any way relate to patents that are registered under the provisions of the *Industrial Property Act*.
  8. The 2<sup>nd</sup> respondent, though served with the petition, did not file a replying affidavit. The learned judge remarked as follows:

***“At the outset, I must point out that failure by the second Respondent who is alleged to be the complainant in the criminal case and on whose complaint the prosecution was mounted has left a serious gap in the first Respondent's case (now the appellant). The second Respondent is the party whose patent or intellectual property right are***

***alleged to have been violated. He is the one whose goods are alleged to have been counterfeited. Thus, its presence in these proceedings was absolutely necessary for the just determination of this case. He was served on 4<sup>th</sup> April, 2017 as evidenced by the affidavit of service filed on 7<sup>th</sup> April, 2017 but did not appear or file a response. I cannot comprehend how the first Respondent hoped to convince the court on the issues at hand in absence of the alleged complainants evidence.”***

9. The learned judge found that there was no evidence that the seized goods were counterfeit; that the seizure of the 1<sup>st</sup> respondent’s goods and prosecution were not founded on a sound legal basis; and that the prosecution was not undertaken in public interest and therefore its constitutional rights had been infringed. Consequently, the court issued the following orders:

***“a) A declaration be and is hereby issued that the first Respondents’ action of seizing the petitioner’s goods on 18<sup>th</sup> November, 2016 and detaining the same was effected without any factual/legal basis, Consequently, the same is illegal, null and void for all purposes.***

***b) A declaration be and is hereby issued that the decision to seize and detain the petitioner’s aforesaid goods and to mount criminal charges against the petitioner and a (sic) one George Ngugi Wambui was undertaken without any factual basis and was a flagrant abuse of powers conferred upon the first Respondent by the law and amounted (sic)***

***abuse of statutory and judicial process, hence unconstitutional.***

- c) An order of certiorari be and is hereby issued to bring into this honourable court the proceedings in Nairobi – Milimani Chief Magistrates Criminal Case Number 308 of 2017 – (Republic vs George Ngugi Wambui) for purposes of being quashed.***
- d) An order of stay be and is hereby issued permanently staying the proceedings against the petitioner and the said George Ngugi Wambui in Nairobi, Milimani Chief Magistrates Criminal Case Number 308 of 2017 (Republic vs. George Ngugi Wambui.)***
- e) An order of prohibition be and is hereby issued prohibiting the Respondents or any person acting for and on their behalf from further prosecuting or proceeding with the Chief Magistrates’ Criminal Case Number 308 of 2017 – Milimani – (Republic vs. George Ngugi Wambui).***
- f) That the first petitioner shall bear the costs of this petition.”***

10. Being aggrieved by that decision, the appellant preferred this appeal. The 2<sup>nd</sup> respondent also filed ***Civil Appeal No. 280 of 2017***. The two appeals came up for hearing on the same day and were by consent consolidated and heard together.

11. The appellant’s memorandum of appeal consists of 20 grounds of appeal which, in our view, may reasonably be summarized as follows: That the learned judge erred

in law and in fact in: (i) that the petition lacked any evidence that could sustain the orders sought; (ii) failing to find that there was proper factual basis for the appellant to mount the prosecution of the 1<sup>st</sup> respondent and its director, George Ngugi Wambui; (iii) failing to find that the absence of any representation from the 2<sup>nd</sup> respondent did not render the evidence of the appellant impotent; (iv) going into the merits of the issues thus usurping the powers and jurisdiction of the trial court; (v) granting orders that were not sought or prayed for; (vi) applying wrong principles and test in terminating the criminal proceedings; and (vii) in finding that the 1<sup>st</sup> respondent's constitutional rights had been violated.

12. The appellant urged the court to set aside the decree of the High Court dated 28<sup>th</sup> June, 2017 and substitute therefor an order dismissing the petition dated 22<sup>nd</sup> March, 2017 with costs; and set aside all the orders issued by the Chief Magistrates' Court at Milimani in Criminal Case No. 308 of 2017 pursuant to the impugned decree and substitute therefor an order reinstating the criminal proceedings for hearing.
13. ***Match Masters Limited***, the appellant in ***Civil Appeal No. 280 of 2017*** (the 2<sup>nd</sup> respondent herein) raised more or less the same grounds of appeal as the

appellant herein. The only additional grounds are that the learned judge failed to appreciate that the Kenya Bureau of Standards and the Kenya Revenue Authority do not regulate intellectual property rights in Kenya; that the learned judge erred in law in assessing whether the offending merchandise was counterfeit on the basis of patents rather than on trademark rights; and that the learned judge erred in law by holding that it was necessary to have a complainant before the Anti-counterfeit Agency could take action since **section 33(4) and (5)** of the **Anti – Counterfeit Act** expressly obviates the requirements of a complainant or complaint before it can take action.

14. Barloworld Limited, the 1<sup>st</sup> respondent, opposed the appeals. It argued that section 33 of the Anti-Counterfeit Act enumerates who can lay a complaint and to whom; that a complainant has to donate power to the appellant (Anti-Counterfeit Agency) by laying a complaint and consequently the appellant acts on that donation; that without that donation the appellant has no power or authority on its own to take any action to implement any part of the provisions of the Act. The appellant can only act when it is satisfied that the goods in question are counterfeit; the 1<sup>st</sup> respondent stated.



15. The 1<sup>st</sup> respondent submitted that the appellant arbitrarily and without any justification forcefully entered into the 1<sup>st</sup> respondent's premises and illegally seized its goods; that the High Court established that *section 33 and 34 of the Anti-Counterfeit Act* were not complied with; and consequently its actions were unconstitutional.
16. The appeals were substantively canvassed by way of written submissions with minimal oral highlights. As these two appeals have been consolidated, we shall determine them on three broad issues as hereunder;

***(i) Whether the Petition as presented was proper in law.***

17. The 1<sup>st</sup> respondent imported 2,061 cartons of match boxes that were described as Zebra brand safety matches. The appellant acting on the 2<sup>nd</sup> respondent's complaint, believed that the said goods were counterfeit and impounded them. The appellant proceeded to institute a criminal case against the 1<sup>st</sup> respondent and its Managing Director, George Ngugi Wambui; Criminal Case No. 308 of 2017. The accused persons declined to take plea and instead filed the petition to challenge their prosecution.

18. The 1<sup>st</sup> respondent stated in its petition that;

*“(d) There is no legitimate complaint or at all to institute Criminal proceedings specifically **Nairobi Chief Magistrates Court Criminal Case No. 308/2017 Republic vs. Barloworld Limited and George Ngugi Wambui** as the applicant had complied with all procedures, approvals and authority necessary to import and distribute its zebra match boxes in Kenya or elsewhere it saw fit and convenient to attain its profit objectives.”*

The 1<sup>st</sup> respondent further contended that it had not committed any criminal or civil offence under the Anti-Counterfeit Act or the Patent Registration Act; that the appellant and the 2<sup>nd</sup> respondent had not adduced any evidence at all to justify the intended prosecution; that their intended prosecution was in violation of their constitutional rights as earlier stated and therefore urged the High Court to not only prohibit their persecution but also declare that the goods were not counterfeit.

19. No evidence was provided by the 1<sup>st</sup> respondent in support of its petition. The petition does not have any annexures. The verifying affidavit sworn by George Ngugi Wambui consisted of only two (2) paragraphs, where he averred that *“the facts and matters stated in the grounds in the said petition hereinbefore are true to*

*my knowledge.*” The affidavit had no annexures. **Rule 11** of the **Constitution of Kenya (Protection of Rights and Fundamental Freedoms) Practice and Procedure Rules, 2013** states as follows;

**“11. (1) The Petition filed under these rules may be supported by an affidavit.  
(2) If a party wishes to rely on any document, the document shall be annexed to the supporting affidavit or the petition where there is no supporting affidavit”.**

The petition as presented was simply unsupported, yet the contents of paragraphs 5(a) (b) (c) and (d) of the petition required supporting documents.

20. The 1<sup>st</sup> respondent, being the petitioner, was duty bound to demonstrate, prima facie, that it had the right to import and sell goods under the trademark “Zebra”. The petitioner did not adduce any evidence that it owned that trademark or had the authority or permission of the trademark owner to import and sell safety matches bearing the said trademark. **Section 107 (1)** of the **Evidence Act** states that whoever desires any court to give judgment on any legal right or liability dependent on the existence of facts which he asserts must prove that those facts exist.

21. Whereas the learned judge was right in observing that the 2<sup>nd</sup> respondent, whose trademark had allegedly been violated had not filed any affidavit having been served with the petition, absence of the 2<sup>nd</sup> respondent's affidavit did not absolve the petitioner of its obligation to tender sufficient material in support of its petition. Clearly therefore, the 1<sup>st</sup> respondent's petition lacked evidence to sustain it.

***(ii) Whether the principles for terminating a criminal prosecution were satisfied.***

22. In ***Macharia & Another vs Attorney General & Another [2001] KLR 448***, it was held that a court can declare a prosecution to be improper if;

- a) It is for a purpose other than upholding the criminal law;***
- b) It is meant to bring pressure to bear upon the applicants to settle a civil dispute;***
- c) It is an abuse of the Criminal process of the court;***
- d) It amounts to harassment and is contrary to public policy;***
- e) It is in contravention of the applicant's constitutional rights.***

See also ***Kuria & Others vs AG [2002] 2 KLR 69*** where the court held that an order to prohibit prosecution in a criminal case cannot be given without any evidence that there is manipulation, abuse or misuse of court process or that there is a danger to the

right of the accused person to have a fair trial. The court further held that there is public interest identifying every criminal prosecution which must be jealously guarded. We may add that this public interest should not be compromised except in the clearest cases.

23. Did the 1<sup>st</sup> respondent's petition satisfy all these principles? We do not think so. The 1<sup>st</sup> respondent's major contention was that it had not committed any criminal or civil offence under the Anti-Counterfeit Act to warrant prosecution; and that there was no evidence to sustain the charges that had been preferred against it by the appellant. The learned judge agreed with the 1<sup>st</sup> respondent. He further held that the prosecution was: "tainted with ulterior motives, namely, to curtail the rights of the petitioner." The Court also found that the prosecution was an abuse of the court process and was not undertaken in public interest.

24. It is important to emphasize that the task of determining the quality and sufficiency of evidence is best performed by the trial court. Where the prosecution, on the basis of what it considers sufficient evidence prefers a criminal charge against a person, any other court apart from the trial court should be slow to pronounce itself on the quality and sufficiency

of the evidence that is intended to be adduced, except in very clear instances where on the face of it the charges are frivolous, without any legal basis or are unconstitutional. There is always the danger of usurping the jurisdiction of the trial court when a superior court begins to examine affidavits and submissions of parties to determine whether the evidence intended to be adduced is sufficient to sustain a charge. See ***Meixner & Another vs Attorney General [2005] 2 KLR 189.***

25. What did the Anti-Counterfeit Agency say about the evidence that it intended to adduce before the trial Court? Casper Oluoch, a Chief Inspector with the appellant, stated in his replying affidavit that the 1<sup>st</sup> respondent is mandated to take action on counterfeit matters based either on formal complaints or *suo motto*, pursuant to information received under section 33 of the Anti-Counterfeit Act; that on 18<sup>th</sup> November, 2016 based on intelligence gathered and information relayed to it regarding suspicion of counterfeit goods stocked for purposes of trading at the 1<sup>st</sup> respondent's premises, together with Inspector Grace Kamunge, proceeded to the 1<sup>st</sup> respondent's premises along Kijabe Street, Nairobi; that they confirmed that the goods at the premises belonged to the 1<sup>st</sup> respondent and were reasonably suspected to be counterfeit; that he

declared the site a counterfeit goods depot *insitu* and secured the place in compliance with **section 23 (1) (f)** of the **Act**; that the goods were subsequently moved to the official counterfeit goods depot and he issued a notice of seizure and inventory to the 1<sup>st</sup> respondent; thereafter he notified the 2<sup>nd</sup> respondent of the seizure as required; and that all the legal steps in the investigation process were followed, after which the criminal charge was preferred.

26. Considering that the appellant, being the statutory investigating and the prosecuting authority, was contending that it had sufficient evidence to sustain the charge and had complied with all the statutory procedures before institution of the charge, and bearing in mind that the 1<sup>st</sup> respondent had not given the court any evidence in support of the averments in the petition, we do not think that there was proper basis for the High Court to shield the 1<sup>st</sup> respondent from the impending prosecution. There was nothing to demonstrate that the 1<sup>st</sup> respondent's constitutional rights had been or were likely to be violated by mere commencement of the trial.
27. The 1<sup>st</sup> respondent's argument that it would "suffer irreparable loss and damage" if and when the plea is taken was without any basis.

**(iii) Was the intended prosecution an abuse of the court process?**

28. The learned judge held that the prosecution was an abuse of the court process and was tainted with ulterior motive, namely, to curtail the rights of the petitioner. Having closely considered the unsupported contents of the petition against the contents of the appellant's replying affidavit, we do not share the learned judge's views on the matter. In ***Muchanga Investments Limited vs. Safaris Unlimited (Africa) Limited & 2 Others, Civil Appeal No. 25 of 2002***, this Court stated as follows with regard to abuse of process:

***“The employment of judicial process is regarded as an abuse when a party uses the judicial process to the irritation and annoyance of his opponent and the efficient and effective administration of justice. It is a term generally applied to a proceeding which is wanting in bona fides and is frivolous, vexatious and oppressive. The term abuse of process has an element of malice in it”.***

The petition was bereft of evidence to sustain the conclusions reached by the learned judge.

29. Without delving into all the grounds of appeal, as some of them relate to the merits of the intended criminal trial, we believe we have said enough to demonstrate that the appeals are for allowing, which we hereby do.



Consequently, we hereby set aside the High Court judgment dated 28<sup>th</sup> June, 2017 and the resultant decree. We substitute therefor an order dismissing the petition dated 22<sup>nd</sup> March, 2017. Similarly, we also set aside all the orders issued by the **Chief Magistrates' Court in Criminal Case No. 308 of 2017, Republic vs Barloworld Limited & George Ngugi Wambui.**

We substitute therefor an order reinstating the said criminal proceedings.

30. The 1<sup>st</sup> respondent shall bear the appellants' costs of the two appeals.

**DATED and Delivered at Nairobi this 6<sup>th</sup> day December, 2019.**

**D. K. MUSINGA**

.....  
**JUDGE OF APPEAL**

**S. GATEMBU KAIRU, FCI Arb**

.....  
**JUDGE OF APPEAL**

**S. ole KANTAI**

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**JUDGE OF APPEAL**

*I certify that this is a true copy of the original.*

**DEPUTY REGISTRAR**