



REPUBLIC OF KENYA



**Puma SE v Mburu (Civil Case 1 of 2020) [2024] KEHC 9325 (KLR) (25 July 2024) (Judgment)**

Neutral citation: [2024] KEHC 9325 (KLR)

**REPUBLIC OF KENYA  
IN THE HIGH COURT AT KITALE**

**CIVIL CASE 1 OF 2020**

**AC MRIMA, J**

**JULY 25, 2024**

**BETWEEN**

**PUMA SE ..... PLAINTIFF**

**AND**

**JOHN GITHENDUKA MACHARIA MBURU ..... DEFENDANT**

**JUDGMENT**

**Background**

1. PUMA SE, the Plaintiff herein, is an international company dealing in design and manufacture of athletic and casual footwear apparel and accessories for supply across the world.
2. In Kenya, it is the registered proprietor of various trademarks in relation to articles of clothing including boots, shoes and slippers under Class 25 of the International Classifications of Goods and Services.
3. The Plaintiff is aggrieved that despite being the proprietor of the foregoing PUMA trademarks and having the exclusive right to use them, John Githenduka Macharia Mburu, the Defendant herein, disregarded its intellectual property rights by engaging in the manufacture, importation, distribution, marketing, dealing, supply and or sale of goods bearing marks which are identical or so nearly resemble PUMA trademarks so as likely to deceive or cause confusion to consumers in the course of trade.
4. The Plaintiff instituted this suit which the Defendant vehemently opposed.

**The Plaintiff's case:**

6. Through the Plaint dated 28<sup>th</sup> January 2021, the Plaintiff averred that the Defendant's counterfeit products were likely to adversely affect its sale of genuine products either by itself or through its authorised dealers and licensees.



7. In setting out the particulars of infringement by the Defendant, the Plaintiff averred that in June 2018, the Defendant was found in possession of, and offering for sale in the course of trade, 190 pairs of PUMA labelled footwear which did not originate from the Plaintiff, its factories or related third parties.
8. The Plaintiff averred that as a result of trading in counterfeit goods, the Defendant was arrested and charged in a criminal case being Kitale Chief Magistrates Court in Criminal Case No. 4282 of 2018 [hereinafter referred to as ‘the Criminal Case’], for the offence of counterfeit trade contrary to Section 32(a) as read with Section 35(1)(a) and 35 of the *Anti-Counterfeit Act* No. 13 of 2008.
9. It was the Plaintiff’s case in the criminal case, that the Defendant, despite being found in possession of counterfeit goods, the Court did not make an order as to the destruction of the counterfeit goods and in the absence of such an express order the Defendant had secured the release of the products and was apprehensive that it would distribute and sell the counterfeit product in the course of trade.
10. The Plaintiff was further aggrieved that since the Defendant did not suffer any sanction, he would continue manufacturing, importing, distributing, selling and or otherwise dealing with the counterfeit goods to its detriment.
11. On the foregoing factual backdrop, the Plaintiff sought the following reliefs: -
  - a. An order decelerating that the Defendant’s manufacture, importation, shipping, dealing, marketing and selling of counterfeit PUMA branded goods constitutes an infringement of the Plaintiff’s registered PUMA trademarks.
  - b. A permanent injunction restraining the Defendant whether by himself, officers, employees, servants, agents and or any other person acting under his instruction howsoever from manufacturing, importing, marketing, selling and or in any way whatsoever dealing with any counterfeit products and infringing on the Plaintiff’s registered trademarks in any manner contrary to the rights of the Plaintiff int eh registered PUMA trademarks.
  - c. General damages.
  - d. Alternative to prayer (c) above, an account of profits made by the Defendant as a result of the infringement and an order for payment of any sums found due together with interest thereon at court rates.
  - e. An order for delivery of all counterfeit PUMA branded goods in the possession of the Defendant.
  - f. Punitive damages.
  - g. Costs of the suit.
  - h. Any other Orders that this Honourable Court deems fit to grant.

**The Evidence:**

12. Neil Nariman, the General Counsel in-charge of the Intellectual Property Rights of the Plaintiff testified as PW1. He adopted his written and filed Statement dated 21<sup>st</sup> January 2021 as part of his evidence-in-chief. He also produced the Plaintiff’s Certificates of Trademark Nos. 23826, 23025 and 18005 and 18005 as Exhibits 2 to 5 respectively.
13. The witness further produced the judgment in the criminal case and the Order relating to the counterfeit goods as Exhibits 6 and 7 respectively. He also produced photographs of the counterfeit



goods, the Charge sheet in the criminal case and a Certificate of Electronic Records as Exhibits 8a, 8b and 8c respectively.

14. The witness confirmed that the Plaintiff had no trademark called 'LULUDA'.
15. On cross-examination, it was PW1's testimony that he is the most experienced in the world to distinguish the Plaintiff's marks and that he participated in the development of security features of the Plaintiff's marks.
16. He admitted that in the criminal case, the Defendant was acquitted of all the charges and all the exhibits in dispute released to him. He further alleged that an appeal was filed against the Magistrate's decision, but had no proof the appeal was indeed filed.
17. It was further his testimony that he could not tell if there was a trademark by the name of 'LULUDA'.

#### **The Defendant's case:**

18. John Githenduka Macharia responded to the suit through the Statement of Defence dated September 29, 2021. It denied the accusation of counterfeit and put the Plaintiff to strict proof.
19. It was his case, in the alternative, that it was not true that he was infringing on the Plaintiff's intellectual property since he was not importing, distributing, selling or manufacturing counterfeit 'PUMA' branded products whose marks are identical or so nearly resemble the Plaintiff's.
20. It was the Defendant's position that he was acquitted of all the charges in the criminal case because the Prosecution did not prove its case beyond reasonable doubt and as such the Court ordered that the goods be released back to him.
21. The Defendant averred that he no longer was in possession of the impugned footwear since his shop which was located at the Kenya Railways Grounds within Kitale town in Trans Nzoia County in the Republic of Kenya was demolished and his merchandise inside including the said footwear that had been released to him were all vandalized.
22. He further claimed that he is a small-scale trader in Kitale who sources goods from open air markets and stalls in Nairobi and as such the Plaintiff has no claim for trademark infringement against the Defendant since he does not manufacture, import, distribute or sell any of the alleged PUMA counterfeit products.
23. He urged the Court to dismiss the suit with costs.

#### **The Evidence:**

24. The Defendant testified as DW1. He adopted his written Statement dated 7<sup>th</sup> October 2002 as part of his evidence-in-chief. He stated that he is a business man in Kitale. He relied on the proceedings in the criminal case in furtherance of his case.
25. It was his evidence that he is a small-scale business man who sources his goods from Kamukunji in Nairobi and did not know anything about the counterfeit products.
26. On cross-examination, he admitted that the goods were retrieved from his shop. He stated that he had many brands of shoes including PUMA and LULUDA and others with stripes.
27. It was his evidence that a total of 190 pairs of shoes were retrieved from his shop and were produced in Court but the case was dismissed since the prosecution failed to prove that the said wear was counterfeits of the Plaintiff's goods.



28. The Defendant further stated that he produced the receipts he was issued with when he purchased the goods in Nairobi to the Counterfeit Officers when he was arrested and got back his shoes after the case. It was his case that long after the decision in the criminal case was rendered, the Court informed him that he was to return the 190 shoes to Court. He stated that he was unable to return the shoes because as at that time, he had long parted ways with possession of the goods which had been vandalized.

#### **The Parties' submissions:**

29. The Plaintiff and the Defendant filed submissions dated 15<sup>th</sup> May 2023 and 12<sup>th</sup> July 2023 respectively.
30. The submissions were quite comprehensive and referred to several decisions. This Court is grateful for the Counsel's industry.
31. As this Court will substantively refer to the parties' arguments and decisions in the analysis part of this judgment, suffice to point out that the Plaintiff's submissions covered the parties' cases and identified three issues for determination. They were whether the Plaintiff established any infringement of its trade marks by the Defendant, whether the Plaintiff is entitled to any reliefs and the issue of costs.
32. The Defendant also summed up the parties' cases and identified three issues for determination being whether the Defendant infringed the Plaintiff's trademark, whether the Plaintiff's case was proved and the issue of costs.

#### **Analysis:**

33. Having carefully perused the pleadings and the parties' written submissions alongside the various decisions referred thereto, the following two issues arise for determination: -
- i. Whether the Defendant was found in possession of counterfeit goods which infringed the Plaintiff's registered Trademarks.
  - ii. Reliefs.
34. This Court will now consider the above issues sequentially.

#### **a. Whether the Defendant was found in possession of counterfeit goods which infringed the Plaintiff's registered Trademarks:**

35. This Court would have gone into details in dealing with this issue. However, the issue seems to have been partly settled in the criminal case. A look at the settled aspect now follows.
36. It is a fact that the Defendant was charged in the criminal case. He faced three counts. Related to this matter was the first count which was crafted as follows: -

Having in possession in the course of trade counterfeit goods contrary to Section 32(a) as read with Section 35(1)(a) and 35(4) of the *Anti-Counterfeit Act*, 2008 Laws of Kenya.

John Gathenduka Macharia: On the 19<sup>th</sup> June 2018 at around 1650 Hrs in your business premises namely TUMAINI SELECTION CENTRE within Kitale Town in Trans Nzoia County, you did have in your possession in the course of trade 190 pairs of puma labelled footwear each valued at Kshs. 2,941/= labelled with the trademark 'PUMA' whereas the goods do not originate from the brand owner hence calculated to be confused as genuine Puma footwear, which is protected good under Trade Mark No. KF/T/1977/0023826, the



property of PUMA SE. The goods all valued at Kshs. 558,790 (Five Hundred and Fifty-Eight Thousand Seven Hundred and Ninety Shillings).

37. The criminal case was heard and determined. Although the Defendant herein was acquitted of the above count, the trial Court made a determination in its judgment on whether the goods stated in the above count were indeed counterfeits.
38. This is what the Court stated in paragraph 28 of the judgement in the criminal case rendered on 25<sup>th</sup> November, 2020: -
  28. As to the PUMA (Exhibit 4a), the registered trademark and watermark as well as the genuine samples for comparison were produced and it was duly established that the 190 found in possession of the accused were counterfeit.....
39. The accused was eventually acquitted for failure by the prosecution to produce the Price Lists from the Defendant's shop and the Plaintiff for comparative purposes.
40. Notably, the Defendant did not appeal against the finding that he was found in possession of 190 pairs of counterfeit goods that infringed the Plaintiff's trademarks.
41. The Defendant, however, argued that since he was acquitted in the criminal case then, the Plaintiff's claim that he was guilty of counterfeit does not stand.
42. The Defendant's position seems to be incorrect for two reasons. One, an acquittal in a criminal case does not translate to an automatic bar to civil proceedings. The reason being that the standards of proof in criminal and civil cases are different. Two, Section 35(5) of the [Anti-Counterfeit Act](#) fronts the position that an infringer of a trademark should not benefit from such illegality even if acquitted in a criminal case.
43. The said Section 35(5) states as follows: -

Where a Court has concluded the hearing of a matter in any criminal proceedings whether the suspect is convicted or acquitted and the goods in the opinion of Court are counterfeit and it appears that the suspect has benefited or obtained some monetary advantage from dealing in counterfeit goods the subject matter of the criminal proceedings, the Court shall on application of the prosecutor order the suspect to forfeit that benefit or monetary advantage to the Agency within a period of three months and in default the Agency may trace and recover that benefit or advantage from the suspect.
44. Therefore, drawing from the foregoing, it is a fact that a Court of law settled the issue that the 190 pairs of footwear that were found with the Defendant bearing the Plaintiff's marks were counterfeit.
45. On that score, the next consideration is the unsettled part in this issue. It is whether the counterfeit goods infringed the Plaintiff's registered Trademarks and the resultant rights.
46. The starting point is the law. Article 40(5) of [the Constitution](#) calls upon the State to support, promote and protect the intellectual property rights of the people of Kenya. However, such constitutional protection does not extend to any property that is found to have been unlawfully acquired. [Article 40(6) of [the Constitution](#)].
47. In this case, there is no contention that the intellectual rights in the nature of Trade marks that were acquired by the Plaintiff and duly registered in Kenya ran afoul [the Constitution](#) or any law. As such, the Plaintiff is entitled to the full protection of [the Constitution](#) and the law with regard to its duly registered trademarks.



48. The exclusive right to a trademark is further protected by the [Trade Marks Act](#), Cap. 506 of the Laws of Kenya. Section 7(1) asserts the said right as follows: -

7. Right given by registration in Part A, and infringement thereof:

(1) Subject to the provisions of this section, and of sections 10 and 11, the registration (whether before or after 1<sup>st</sup> January, 1957) of a person in Part A of the register as the proprietor of a trade mark if valid gives to that person the exclusive right to the use of the trade mark in relation to those goods or in connection with the provision of any services and without prejudice to the generality of the foregoing that right is infringed by any person who, not being the proprietor of the trade mark or a registered user thereof using by way of permitted use, uses a mark identical with or so nearly resembling it as to be likely to deceive or cause confusion in the course of trade .....

49. In *Pharmaceutical Manufacturing Company -vs- Novelty Manufacturing Limited*: HCCC No.746 of 1998 (UR), the High Court observed had the following to say on registration of a trademark: -

...Registration of a trademark confers the right to exclusive use of the mark. Infringement of the trade mark is a tort of strict liability. Intention and motive are irrelevant considerations.  
...The right is a statutory one...

50. Returning to the matter at hand, the Defendant testified that he was a trader running a shop within Kitale town and that he used to get his wares from an open-air market in Nairobi. He was found selling the counterfeit products in his shop. The goods were then confiscated. The goods bore marks that resembled those used by the Plaintiff.

51. Such marks are those defined as ‘counterfeit marks’ in Section 2 of the [Anti-Counterfeit Act](#) as under: -

“counterfeit mark” means a spurious mark—

- (a) that is used in connection with any goods, labels, patches, stickers, wrappers, budes, emblems, medallions, charms, boxes, containers, cans, hand tags, documentation or packaging of any type or nature;
- (b) that is identical with, or substantially indistinguishable from, a mark registered in the trade mark register and in use, whether or not a person knows such a mark was registered;
- (c) that is applied to or used in connection with the goods for which the mark is registered, or is applied to or consists of a label, patch, sticker, wrapper, badges, emblems, medallion, charms, boxes, containers, cans, hand tags, documentation or packaging of any type or nature, that is designed, marked or otherwise intended to be used on or in connection with the goods for which the mark is registered; and
- (d) the use of which is likely to cause confusion, to cause mistake, or to deceive;



52. The above reveal that there are many ways in which goods can be counterfeited. In this case, the Defendant, in the course of selling the counterfeit goods, passed them off to the public as the Plaintiff's genuine goods, by the use of the leaping puma mark and the name PUMA, a fact which was incorrect.
53. Passing off is a tort. For such a wrong to be proved, certain parameters must be attained.
54. In *A.G. Spalding Brothers v A W Gamage Ltd & Another* (1914-15) All E.R Rep 147; (1915) 32 RPC 273 HL, Lord Diplock laid down the essentials of a passing off action as follows:
- (a) a misrepresentation;
  - (b) made by a trader in the course of trade;
  - (c) to prospective customers of his or ultimate consumers of goods or services supplied by him;
  - (d) which is calculated to injure the business or goodwill of another trader (in the sense that this is a reasonably foreseeable consequence); and
  - (e) which causes actual damage to a business or goodwill of the trader by whom the action is brought or (in a quia timet action) will probably do.
55. In *Reckitt & Coleman Products v Borden Inc. & Others* (1990) 1 WLR 491; (1990) All ER 873, Lord Oliver expounded on the need to demonstrate the foregoing elements in order to succeed in an action for passing off as follows: -
- 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 and packaging) under which his particular goods or services are offered to the public, such that the get-up is recognized by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to belief that the goods or services offered by him are the goods or services of the plaintiff. Thirdly, he must demonstrate that he suffers or, in a quia timet action, 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 source as those offered by the plaintiff.
- It is not essential that the defendant should misrepresent his goods as those of the plaintiff. It is sufficient that he misrepresents his goods in such a way that it is a reasonably foreseeable consequence of the misrepresentation that the plaintiff's business or goodwill will be damaged.
56. There is no doubt that the PUMA is an international brand name. It is associated with high quality merchandise world over. Its products have, over time, been reputed to be of superior quality. The Plaintiff has, therefore, gained high reputation in the world markets and commands considerable goodwill for its products.
57. The above was affirmed by PW1.
58. Anyone who would have bought the said goods from the Defendant's shop would definitely associate them with the said high-end reputation. That was a misrepresentation. It cannot, therefore, be denied that the Defendant's actions injured the Plaintiff's reputation and business.



59. The foregoing, hence, affirms the position that, indeed, the Plaintiff's rights that it acquired upon the registration of its trade marks were infringed by the impugned actions of the Defendant. Needless to say, it is on record that the trade marks were still valid at the time of the Defendant's actions.
60. Further, for avoidance of doubt, the record has it that the Plaintiff remains the registered proprietor of Trade mark No. 23826 consisting of the word mark PUMA, Trade mark No. 18005 consisting of the word mark PUMA and Trade mark No. 23025 being a device mark, the image of a leaping Puma in Class 25 of the International Classification of Goods and services since 1970.
61. Drawing from the foregoing, this Court now finds and hold that the Defendant was found in possession of counterfeit goods which infringed the Plaintiff's registered Trademarks and the resultant rights.
62. The first issue is, hence, answered, in the affirmative.

**(b) Reliefs:**

63. The Plaintiff having proved its claim against the Defendant is entitled to appropriate reliefs. To that end, the Plaintiff made extensive submissions and referred to several decisions.
64. The reliefs sought in the Plaint included an order decelerating that the Defendant's manufacture, importation, shipping, dealing, marketing and selling of counterfeit PUMA branded goods constitutes an infringement of the Plaintiff's registered PUMA trademarks, a permanent injunction restraining the Defendant from manufacturing, importing, marketing, selling and or in any way whatsoever dealing with any counterfeit products and infringing on the Plaintiff's registered trademarks in any manner contrary to the rights of the Plaintiff in the registered PUMA trademarks, General damages or alternatively an account of profits made by the Defendant as a result of the infringement and an order for payment of any sums found due together with interest thereon at court rates.
65. Other reliefs sought are an order for delivery of all counterfeit PUMA branded goods in the possession of the Defendant, Punitive damages and costs.
66. At this point in time, this Court will not deal with the issue as to whether an Order for delivery of the counterfeit goods in the possession of the Defendant to the Plaintiff be made given that the Order was already issued and out of it, there is a pending appeal before the Court of Appeal.
67. Having found that the Defendant infringed the Plaintiff's trademarks rights, and since the Defendant is still a business man, then it can only be fair that the Defendant be appropriately restrained from engaging in like activities in future.
68. There is also the issue of damages and taking of accounts of profits. From the charge sheet, the value of the counterfeit goods was Kshs. 558,790/=. The Defendant testified that he bought the goods in Nairobi with a view of selling at a profit.
69. Since the issue of the return of the counterfeit goods to the Plaintiff is still pending before the Court of Appeal, this Court takes the position that any assessment of damages of any nature should await the outcome of the appeal.

**Disposition:**

70. As I come to the end of this judgment, I wish to render my unreserved apologies to the parties in this matter for the delay in rendering this decision. The delay was occasioned by the fact that since my transfer from Nairobi, I have been handling matters from the Constitutional & Human



Rights Division, Kitale and Kapenguria High Courts. Further, I was appointed as a Member of the Presidential Tribunal investigating the conduct of a Judge in March 2024 thereby mostly being away from the station. Apologies galore.

71. In the end, judgment is hereby entered in favour of the Plaintiff against the Defendant as follows: -
- a. A Permanent injunction be and is hereby issued restraining the Defendant from manufacturing, importing, shipping, marketing, selling and or in any way whatsoever dealing with any counterfeit products that infringe on the Plaintiff's registered trademarks in any manner contrary to the rights of the Plaintiff in the registered PUMA trademarks.
  - b. A consideration of the rest of the reliefs sought by the Plaintiff shall await the determination of the appeal pending before the Court of Appeal against the Ruling delivered on September 23, 2021 by Hon. Kimaru, J (as he then was).
72. Orders accordingly.

**DELIVERED, DATED AND SIGNED AT KITALE THIS 25<sup>TH</sup> DAY OF JULY, 2024.**

**A. C. MRIMA**

**JUDGE**

Judgment delivered virtually and in the presence of: -

Mr. Watanga, Counsel for the Plaintiff.

No appearance for Mr. Songole, Counsel for the Defendant.

Chemosop/Duke- Court Assistants.

