



**IN THE COURT OF APPEAL**

**AT NAIROBI**

**(CORAM: WAKI, MUSINGA & GATEMBU, JJA)**

**CIVIL APPEAL NO. 125 OF 2016**

**BETWEEN**

**NAIROBI MAP SERVICES LIMITED.....APPELLANT**

**AND**

**AIRTEL NETWORKING KENYA LIMITED.....1<sup>ST</sup> RESPONDENT**

**Z. K. ADVERTISING LIMITED.....2<sup>ND</sup> RESPONDENT**

**THE SOUND AND PICTURE WORKS LIMITED .....3<sup>RD</sup> RESPONDENT**

*(Being an appeal from the Judgment and Decree therefrom the High Court of Kenya,*

*Commercial & Admiralty Division (Ogola, J.) delivered on 26<sup>th</sup> April, 2016*

*dismissing the Plaintiff?s suit with costs*

*in*

**HIGH COURT COMMERCIAL CASE NO. 873 OF 2009)**

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**JUDGMENT OF THE COURT**

1. This appeal arises from a judgment of the High Court (**Ogola, J.**) delivered on 26<sup>th</sup> April 2016 dismissing the appellant?s suit for infringement of copyright.

**Background**

2. In the course of the evening of 29<sup>th</sup> August 2009, James Mwaura Wamuhui, the chief cartographer at Nairobi Map Services Limited, the appellant, was watching television when „*a commercial?*, an advertisement, promoting the 1<sup>st</sup> respondent, was aired on the NTV channel. The advertisement showed the 1<sup>st</sup> respondent?s countrywide coverage of its mobile network. Wamuhui noticed that the advertisement contained the “*Kenya Administrative Map*”, a copyright publication of the appellant “*hanging on the wall of a room and then the map appeared in large size on the screen.*” He observed that the map was used in the advertisement “*as a prop to show the towns and areas of Kenya that they [the 1<sup>st</sup> respondent] are present by using pins*” and that, “*the map was filmed very closely such that the symbols and the colours of the map are quite obvious that it is the „Kenya Administrative Map?. The advertisement is self explanatory. It is long enough for one to identify the map clearly. It was more than 30 seconds long.*”

3. Being of the view that the advertisement infringed on the appellant?s copyright, he approached the respondents with a view to resolving his grievance. When that did not materialize, the appellant instituted suit against the respondents in the High Court claiming breach of copyright. The appellant sought judgment for general damages at the rate of USD 300 per day or its equivalent in Kenya shilling from 29<sup>th</sup> August 2009 up to a five-year period, punitive damages and costs.

4. In their separate statements of defence, the respondents denied the appellant's claim. Of relevance to this appeal, the 3<sup>rd</sup> respondent invoked Section 26(1)(c) of the Copyright Act and pleaded that the appellant's copyright to the map, if any, did not include the right to control the incidental inclusion of the map in the advertisement.

5. The High Court upheld the plea by the 3<sup>rd</sup> respondent that there was no infringement of the appellant's copyright as the use of map in the advertisement was "incidental". The learned Judge stated:

***"As submitted by the 3<sup>rd</sup> defendant the only use of portions of the plaintiff's map was to stick a pin to a location. A few locations on the map were pointed out. Emphasis was on the information relayed and transferred to the whiteboard. The appearance of the map was subordinate. The coverage of the plaintiff's network had already been demonstrated by the act of the engineer travelling to various locations and relaying information to the gentleman in the office set up who would tick the relevant locations on a white board. PW1 also admitted that the map was not the subject of the advert."***

#### **The appeal and submissions by counsel**

6. The central issue in this appeal is whether the Judge was right in reaching that conclusion. The answer to that question depends on the interpretation of the words "incidental inclusion" as used in Section 26(1)(c) of the Copyright Act.

7. Learned counsel for the appellant, **Mr. E. C. Koech**, submitted that the Judge misdirected himself in proceeding to determine the issue before him as an action for "passing off" which only applies to trademark infringement and not to copyright infringement; that the conclusion by the Judge that the use of the map in the advertisement was "incidental" is erroneous; that the Judge failed to properly apply the test as stated by the Supreme Court of England in **The Football Association Premier League Ltd vs. Panini UK Ltd (2003) EWCA Civ 995** where Lord Justice Chadwick set the test thus: "Why – having regard to the circumstances in which work „B? was created – has work „A? been included in work „B??" According to counsel, contrary to the finding by the Judge, the use of the map in the advertisement was deliberate and intentional as the objective of the advertisement was to demonstrate the 1<sup>st</sup> respondent's network coverage across Kenya.

8. It was submitted that the finding by the Judge that the respondents' use of the map amounted to „reading the map? was also wrong; that „reading? does not apply as an exemption to copyright in maps, which are defined as artistic works under Section 2 of the Copyright Act; and that the manner in which the map was used could not be referred to as „reading?.

9. Counsel submitted that the Judge erred in finding that the respondents did not reproduce, communicate or broadcast the map either in whole or substantially; that the advertisement was circulated in the form of a compact disc which was transmitted to various stations for broadcasting; that the act of using a camera and storing the same in a CD was sufficient to satisfy the definition of „reproduction? under the Copyright Act; that based on the House of Lords decision in **Ladbroke (Football) Ltd vs. William Hill (Football) Ltd (1964) 1 WLR 273** „substantial? refers to the quality rather than the quantity of the copied part and the significance of the copied parts of the protected work. Counsel stressed that the map was essential to the core objective of the advertisement.

10. It was submitted that the map reserved the rights of reproduction, scanning, copying or printing to the appellant and there was therefore need to have the same information relayed by the retailer to the purchasers of the map; that it was not necessary for the appellant to prove loss, bearing in mind that breach of copyright is a tort of strict liability; that the appellant had, in any event, provided documentary evidence to show that due to the advertisement, it was unable to offer the same map to the competitors of the 1<sup>st</sup> respondent on a commercial basis.

11. Counsel urged that the appellant had sufficiently demonstrated that its protected works had been infringed, directly by the 3<sup>rd</sup> respondent and vicariously by the 1<sup>st</sup> and 2<sup>nd</sup> respondents. In support, counsel cited the U.S Court of Appeal decision in **Shapiro, Bernstein Co. vs. H.L Green Company 316 F. 2d 304 (2d Cir. 1963)**; U.S District Court's decision in **Donald Davis vs. E.I DuPont de Nemours & Co. & others 240 F. Supp. 612 (1965)**; and U.S Court of Appeal decision in **Gershwin Publishing Corporation vs. Columbia Artists Management INC & another 443 F. 2d 1159 (1971)**.

12. Opposing the appeal, learned counsel for the 1<sup>st</sup> respondent, **Mr. Luseno**, relied on his submissions before the lower court. He submitted that the 1<sup>st</sup> respondent could not be liable as there was no evidence that it issued any instructions to either the 2<sup>nd</sup> or 3<sup>rd</sup> respondents to use the appellant's map in the creation of the advertisement; that in any event, the agency agreement entered into between the 1<sup>st</sup> and 2<sup>nd</sup> respondents stipulated that the 2<sup>nd</sup> respondent would satisfy any judgment entered from proceedings by third parties claiming infringements.

13. Counsel submitted that the appellant did not establish infringement of copyright within the meaning of Section 35(1) of the Copyright Act; that the appellant failed to provide particulars of alleged infringement; that from the evidence, the appellant's only witness was not clear what the appellant's complaint was; that based on the evidence, the complaint was not against the use of the map but rather the wrongful use and digitisation of the map in that it was blown up in order to distort it; and that the use of the map in the advertisement was incidental within the meaning of Section 26(1)(c) of the Copyright Act and there was accordingly no infringement.

14. According to counsel, the appellant's claim for royalty as urged in its submissions before the lower court was a departure from its pleading in which it had sought general damages. Furthermore, the appellant failed to prove that the advertisement had otherwise affected its sales of the map or that the respondents were selling the map as its own.

15. Counsel concluded by urging that as the appellant did not pursue its claim against the respondents jointly and severally, the question of contributory infringement could not arise and the appellant could only recover from the liable party.

16. **Mr. Gachuhi**, learned counsel for the 3<sup>rd</sup> respondent, submitted that, based on the evidence tendered, the Judge correctly dismissed the appellant's claim; that the appellant failed to establish how the map was defaced or how the same transferred ownership to the respondents, which was its main contention as repeatedly stated by the appellant's witness; that infringement of copyright was not established as the

inclusion of the map in the advertisement was incidental to the primary message conveyed in the advertisement; that there was no digitisation or reproduction of the map; and that the appellant failed to prove any detrimental effect to it or to the value of the map as a result of the advertisement. Counsel cited several authorities in support of those arguments.

17. Counsel referred to Section 35(6) of the Copyright Act which provides for the assessment of damages based on the resulting loss suffered once infringement has been proved and to the House of Lord's decision in *General Tire and Rubber Co. vs. Firestone Tyre and Rubber Co Ltd [1975] 1 WLR 819* for the proposition that a claimant had to prove loss, and secondly, that the aim of damages is compensation as opposed to punishment and ought to be liberally assessed; that the appellant had failed to prove loss suffered from the alleged infringement and was therefore not entitled to damages claimed.

18. On the claim for royalties, it was submitted that the appellant's guidelines tendered in evidence did not establish any contractual relationship with any licensee for it to claim royalties as per Section 35(4)(c) of the Act. Moreover, the 3<sup>rd</sup> respondent had purchased the map legitimately and therefore no such claim can arise. Counsel referred us to the United States case of *Mobil Oil Corp vs. Amoco Chems Corp 915F Supp. 1333, 1342 (D. Del 1994)* regarding the test for reasonability of royalties.

### **Analysis and Determination**

19. We have considered the appeal and submissions by counsel. The conclusion by the Judge that, "*the plaintiff [appellant] is the author and therefore the copyright owner in the artistic work known as "Kenya Administrative Map"*" is not the subject of the appeal. There is therefore no contest that the appellant is the copyright owner of the map. The critical issue, as already stated, is whether the Judge erred in holding that there was no infringement of copyright because the use of the appellant's map in the impugned advertisement was "*incidental*" and therefore protected under Section 26(1)(c) of the Copyright Act.

20. Before we address that issue, we need to dispose of the appellant's complaint, as set out in the first ground of appeal in the memorandum of appeal, that the Judge erred in proceeding on the basis that the claim was premised on an action in "*passing off*" while its "*case as pleaded and as per the evidence was a claim on copyright infringement.*"

21. In paragraph 8 of its plaint, the appellant pleaded:

***"8) ... the 1<sup>st</sup> Defendant in paying airtime for and allowing the said advertisement to be aired is guilty of passing off the Plaintiff's map as its own and is vicariously liable for the actions of its agents, the 2<sup>nd</sup> Defendants."***

22. Evidently, it is therefore the appellant, and not the Judge, who introduced the matter of "*passing off*" into the case. There is a distinction between an action for passing off and an action for infringement of copyright. Passing off, according to **Black's law dictionary** 8<sup>th</sup> edition, is the act or an instance of falsely representing one's own product as that of another in an attempt to deceive potential buyers. It is actionable in tort under the law of unfair competition. It may also be actionable as a trademark infringement.

23. In *Reckitt and Colman Products Ltd vs. Borden Inc and others [1990] 1 All ER 873*, the House of Lords summarized the ingredients of an action in passing off, namely: that the plaintiff must establish a goodwill or reputation attached to the 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 believe that goods or services offered by him are the goods or services of the plaintiff; and 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 as the source of those offered by the plaintiff.

24. Copyright on the other hand is defined in **Black's Law dictionary** (8<sup>th</sup> edition) as an act of violating any of a copyright owner's exclusive rights. It seeks to protect the expression and recorded content of someone's intellectual labours<sup>1</sup>. It refers to the dealing with copyrighted material in a manner inconsistent with the copyright owner's interests<sup>2</sup>.

25. In Kenya, the statutory framework for copyright law is to be found in the Copyright Act, 2001. Sections 26 deals with the nature of copyright while Section 35, on infringement, provides that "*copyright shall be infringed by a person who, without the licence of the owner of the copyright does, or causes to be done, an act the doing of which is controlled by the copyright.*"

26. The conceptual mix up did not stop with the appellant's pleading. In his evidence, the appellant's witness, James Mwaura Wamuhui, (PW1) stated that there was no complaint or issue with the map as used by the 3<sup>rd</sup> respondent in production of the advertisement. Rather, the complaint was that the map had been „blown up? therefore defacing the map and making the respondents the owners of that part of the map, and that the <sup>1</sup> Marett, P (1996) Intellectual Property Law, Sweet & Maxwell p. 21 <sup>2</sup>Moni Wekesa and Prof. Ben Sihanya (eds): Intellectual Property Rights in Kenya: (Konrad Adenauer Stiftung, 2009) page 168 respondents had digitised the map and could therefore sell the map as their own property. During cross-examination PW1 stated:

***"Looking at the clip I have no problem but I have a problem with the pop ups which keep coming... This map is a digitized form of the hard copy. The [sic] digitized it so that they can be able [sic] to reproduce these parts and therefore they purport to own it. Therefore any party needing that part of the map can buy it from them."***

Based on that excerpt, the appellant's concern would appear to be the prospect that the respondents would sell or pass off the map as their own.

27. Despite the mix up, which characterises the appellant's entire case before the lower court, the learned Judge only alluded to the appellant's plea of passing off when re-stating the appellant's case in his judgment. Passing off was not the basis on which he resolved the

matter. The Judge resolved the matter on the basis of three issues which he framed, namely, whether the appellant has copyright in the map; whether the respondents, or any of them, infringed the appellant's copyright; and whether the appellant was entitled to damages. The Judge was able to decrypt, notwithstanding the confusion created by the appellant, that the appellant's real grievance was one of infringement of copyright. There is therefore no merit in the complaint that the Judge proceeded on the basis that the appellant's claim was premised on an action in passing off.

28. We now return to the main issue in the appeal, namely, whether the appellant established that the respondents infringed on its copyright. Related to that is the question whether the inclusion of the appellant's map in the advertisement was "*incidental inclusion*" so as to afford the respondents a defence under Section 26(1)(c) of the Act. As already noted, infringement refers to the dealing with copyrighted material in a manner inconsistent with the copyright owner's interests. Section 26(1)(c) of the Copyright Act provides:

**"26. Nature of copyright in literary, musical or artistic works and audio-visual works**

***(1) Copyright in a literary, musical or artistic work or audio-visual work shall be the exclusive right to control the doing in Kenya of any of the following acts, namely the reproduction in any material form of the original work or its translation or adaptation, the distribution to the public of the work by way of sale, rental, lease, hire, loan, importation or similar arrangement, and the communication to the public and the broadcasting of the whole work or a substantial part thereof, either in its original form or in any form recognisably derived from the original; but copyright in any such work shall not include the right to control***

***(a)...***

***(b)...***

***(c) the incidental inclusion of an artistic work in a film or broadcast:*** [Emphasis added]

29. Under Section 2 of the Act, maps are "*artistic work*" and are therefore protected under copyright law. As already stated, there is no challenge to the holding by the Judge that the appellant was the owner of the copyrighted map. It was also not disputed that the map was used in the impugned advertisement. The 3<sup>rd</sup> respondent however denied reproducing the map or digitizing it or doing any of the prohibited acts set out on the face of the map, that is, reproducing, photocopying, scanning or printing it.

30. After evaluating the evidence, the learned Judge dismissed the appellant's claim, having concluded that there was no infringement; that only parts of the map appeared in the advertisement; that the use of the map amounted to reading of the map; and that there was no evidence that the respondents had digitised the map or made electronic or hard copies of it. The Judge was also satisfied that the use of the map was incidental to the main objective of the advertisement as the network's coverage had already been demonstrated by other means. The question therefore is whether the Judge was right in dismissing the appellant's claim.

31. The appellant averred that the 3<sup>rd</sup> respondent digitised its map and therefore has a copy of it and is liable to sell it as its own. Did the filming of the map, as part of the setting of the advertisement, amount to reproduction in accordance with Section 35 of the Act? The rights conferred on the owner of copyright under Section 26(1) of the Act include reproduction, distribution and broadcast. In the context of infringement of copyright involving unauthorized use of artwork in a film or television broadcast, Alexandra Lyras, in an article "*Incidental Artwork in Television Scene Backgrounds: Fair Use or Copyright Infringement?*", 2 Fordham Intell. Prop. Media & Ent. L.J. 159(1992) (<https://ir.lawnet.fordham.edu/iplj/vol2/iss2/5>) argues that there are three potential copyright issues, namely "*infringement of an author's reproduction right; infringement of an author's display right; and allowance of the incidental use under the fair use exception*" and that unauthorised filming of copyrighted works gives way to potential infringement claims. An example is cited that on 18<sup>th</sup> October, 1990, a mural painted by students of the Creative Arts Workshop for Homeless Children was removed from the background of the opening credits of the "*The Cosby Show*" as they had no clearance to use it in the opening sequence of the show.

32. Given that the appellant is the copyright owner of the map, it has, subject to the exceptions provided under Section 26 of the Act, the exclusive right to reproduce and broadcast its work. In our view, the filming of the map and displaying it as an advertisement is indeed a reproduction of copyrighted work. Indeed, the airing of the work undoubtedly falls under the category of broadcast or display which would require the authorization of the appellant. The exception on which the respondents rely, is that the inclusion of the map, the protected work, in the advertisement or broadcast is "*incidental*" within the meaning of Section 26(1)(c) of the Act. That section as we have seen provides that copyright shall not include the right to control the *incidental inclusion* of an artistic work in a film or broadcast. In other words, copyright in a work is not infringed by its incidental inclusion in an artistic work.

33. What then does the expression or phrase *incidental inclusion* mean? Counsel on both sides referred us to the test adopted in the case of ***The Football Association Premier League Ltd vs. Panini UK Ltd (2003) EWCA Civ 995***. That test entails a consideration of why the protected work is included in the impugned work. Lord Justice Chadwick expressed the test thus "*why-having regard to the circumstances in which work „B? was created-has work „A? been included in work „B??"*" He stated that, "*the inclusion of work „A? (the work in which copyright subsists and, but for the section, would be infringed) in work „B? (the work which, but for the section, would give rise to the infringement) must be "incidental".*" The court in that case proceeded on the basis that if the inclusion of the protected work in the impugned work "*is essential to the object for which*" the impugned work is created, then the inclusion is not incidental. For present purposes, the question then becomes why was the appellant's map included in the respondent's commercial advertisement? If the court finds that inclusion of the protected work in the impugned work to be "essential", as the court did in that case, then the defence of incidental inclusion would not hold.

34. In ***IPC Magazines Limited vs. MGN Limited [1998] FSR 431*** the English High Court adopted the approach suggested by Laddie, Prescott and Vitoria, the authors of "*The Modern Law of Copyright and Designs*" (3<sup>rd</sup> edition, 2000) treating "incidental" as meaning "*casual, inessential, subordinate or merely background.*" In that case an advertisement featured the front cover of a competitor's magazine. The Court was not concerned with the intention of the producers in including the other magazine rather, whether the use of the other

magazine was casual, inessential, subordinate or merely background. It was held that the impact of the advertisement would be entirely lost if the front cover of the competitor's magazine was not used since the inclusion was an important and essential feature of the commercial.

35. In *Gordon vs. Nextel Communications and Mullen Advertising, Inc.* 345 F.3d 922 (6<sup>th</sup> Cir. 2003) Gordon complained that Nextel's advertisement contained his copyrighted artwork, specifically two of his illustrations, which were used without his authorisation and further that the enlarged versions of the illustrations did not contain the copyright management information.

The US Court of Appeal confirmed the lower court's decision that the use of the work was so trivial as to fall short of the quantitative threshold of actionable copying. The court applied the principle of *de minimis* already established in their copyright laws and in the case of *Ringgold vs. Black Entertainment Television, Inc.*, 126 F.3d 70, 77 (2d Cir. 1997) that the copying of the protected material is so trivial "as to fall below the quantitative threshold of substantial similarity, which is always a required element of actionable copying."

36. In the Indian case of *S.K. Dutt vs. Law Book Co. & ors* A.I.R. 1954 All. 570, cited with approval in *R.G Anand vs. M/S Delux Films & others* 1978 AIR 1613, it was held that to sustain a claim for infringement of a man's copyright, there must be a substantial infringement of the work and a mere fair dealing with any work falls outside the mischief of the Copyright Act.

37. In the Australian case of *Thompson vs. Eagle Boys Dial-A-Pizza Australia Pty Limited* [2001] FCA 741 the court considered the deliberate use of an artistic work which was included in the respondent's advertisement for purposes of a comparative advertisement from which decision it emerges that deliberate inclusion does not necessarily negate incidental inclusion.

38. Based on the foregoing, what constitutes „incidental inclusion“ is a matter for determination on a case by case basis. In *The Football Association Premier League Ltd vs. Panini UK Ltd* (above) Lord Justice Mummery cautioned that there is no need for courts to define the word “incidental” as used in the statute and that, “the range of circumstances in which the word “incidental” is commonly used to describe a state of affairs is sufficiently clear to enable the courts to apply it to the ascertainable objective context of the particular infringing act in question.” He further stated that:

***“In considering any defence raised to an allegation of copyright infringement it is always necessary to identify the particular infringing act in respect of which the defence is raised and the circumstances in which the infringing act was committed.”***

39. In the present case, the learned Judge carefully considered the evidence and the circumstances in which the map was included in the advertisement. As conceded by counsel for the appellant, the Judge applied the proper test before reaching the conclusion that the defence of incidental inclusion was correctly invoked. It is necessary to quote from his judgment at some length:

***“26. From the authorities cited by the parties herein, the common thread is that what is incidental is a question of fact and will depend on the circumstances of each case.***

***27. The plaintiff has contended that the use of its map in the advertisement cannot have in any way been incidental. The plaintiff's position is that its map was meant to show the coverage of the 1<sup>st</sup> Defendant in the Country, which was the objective of the said advertisement.***

***28. The Court had the privilege to look at the clip showing „Zain coverage? advertisement in line with the objective of the said advertisement and it is of the view that the inclusion of the said map was incidental. It is also worthy to note at this point that the Plaintiff used other maps other than the Plaintiff's. As submitted by the 3<sup>rd</sup> defendant the only use of the portions of the Plaintiff's map was to stick a pin to a location. A few locations on the map were pointed out. Emphasis was on the information relayed and transferred to the white board. The appearance of the map was subordinate. The coverage of the Plaintiff's network had already been demonstrated by the act of the Engineer travelling to various locations and relaying information to the gentleman in the office set up who would tick the relevant locations on white board. PW1 also admitted that the map was not the subject of the advert.”***

40. We respectfully agree. The Judge correctly determined that the 1<sup>st</sup> respondent's coverage had already been established by other means in the advertisement, namely, “the act of the Engineer travelling to various locations and relaying information to the gentleman in the office who would tick the relevant locations on a white board.” Moreover, maps, other than the appellant's map were used. Without the map, the message of the 1<sup>st</sup> respondent's wide coverage had already been passed across to the public. In our view, therefore, the conclusion by the Judge that the inclusion of the map was secondary or subordinate to the overall objective of the advertisement, and therefore incidental, is well founded. Furthermore, based on the clips of the advertisement in question that were screened for this Court's viewing during the hearing of the appeal, we are re-assured that the learned Judge reached the correct conclusion.

41. The result is that the appeal fails and is hereby dismissed with costs to the respondents.

**Dated and delivered at Nairobi this 7<sup>th</sup> day of June, 2019.**

**P. N. WAKI**

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**JUDGE OF APPEAL**

**D. K. MUSINGA**

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**JUDGE OF APPEAL**

**S. GATEMBU KAIRU, FCI Arb**

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**JUDGE OF APPEAL**

*I certify that this is a*

*true copy of the original.*

**DEPUTY REGISTRAR**