



Buypass Kenya Limited v Buypass Kenya Limited; Registrar of Companies (Interested Party) (Commercial Case E144 of 2021) [2024] KEHC 9257 (KLR) (Commercial and Tax) (30 July 2024) (Judgment)

Neutral citation: [2024] KEHC 9257 (KLR)

**REPUBLIC OF KENYA
IN THE HIGH COURT AT NAIROBI (MILIMANI COMMERCIAL COURTS)
COMMERCIAL AND TAX
COMMERCIAL CASE E144 OF 2021**

**MN MWANGI, J
JULY 30, 2024**

BETWEEN

BUUPASS KENYA LIMITED PLAINTIFF

AND

BUSPASS KENYA LIMITED DEFENDANT

AND

REGISTRAR OF COMPANIES INTERESTED PARTY

JUDGMENT

1. The plaintiff vide a plaint dated 23rd March, 2021 and amended on 30th January, 2023 instituted this suit against the defendant and the interested party seeking judgment against them as follows -
 - a. A declaration that the defendant has infringed and/or passed off the plaintiff's registered Trade Mark namely Buypass Registration Number 97821;
 - b. A permanent injunction do issue restraining the defendant whether by itself, its directors, officers, employees, servants, agents, licensees, franchisees or anyone claiming under the defendant from infringing and/or passing off the plaintiff's intellectual property rights connected with the plaintiff's registered Trade Mark namely Buypass and registered under Registration Number 97821;
 - c. A permanent injunction do issue compelling the defendant/respondent whether by itself, its directors, officers, employees, servants/agents, licensees, franchisees or anyone claiming under them howsoever to forthwith cease trading, promoting, advertising, marketing, carrying on business and/or any other trade documents of any nature with the plaintiff's Trade Name



and Mark namely Buupass or the name Buspass which creates confusion with the plaintiff's registered Trade Mark Buupass;

- d. An order that the defendant destroys on oath and in the presence of the plaintiff and an appointed Officer of the Court, all publicity material and any other thing marked with the word Buupass or Buspass in the defendant's possession that infringes on the plaintiff's Trade Mark;
 - e. An order that the defendant do change its name to exclude the word Buspass;
 - f. An order of enquiry as to or an account of profits and payment of all sums found due to the plaintiff by the defendant's passing off and infringement of the plaintiff's intellectual property rights and an order for payment to the plaintiff of such sums due upon taking such enquiry or account; and/or in the alternative
 - g. An order directing the interested party to strike off the defendant from the Companies Register;
 - h. General damages for Trade Mark infringement and/or passing off;
 - i. Costs of this suit; and
 - j. Interest on (f), (g) and (h) at Court rates from the date of filing this plaint to the date when full and final payment is made.
2. The plaintiff's case is that it is the registered absolute proprietor of the Trade Mark number 97821 (Part A) for the word and device BuuPass duly registered under the Class 9 (Downloadable Software for urban commuters to pre-book and pay using mobile phones, electronic tickets, tickets in the form of magnetic cards) and Class 39 (Providing an SMS based ticketing platform for urban commuters to pre-book public buses and pay using mobile phones, computer ticket booking services for travel) registered on 29th June, 2017, which Trade Mark has been used by the Plaintiff to distinguish its services from any other related service in the market. Further, that the said Trade Mark has not been subject of any successful challenge, thus the plaintiff has a right to enjoy the exclusive rights under it in connection with provision of online transport ticketing services.
3. The plaintiff averred that where the Trade Mark Buupass or any other Mark identical to, or nearly resembling it as to deceive or cause confusion in the course of trade for online bus ticketing and related services, while not being a proprietor or a licensee of the Trade Mark, is used by any other person(s) without the plaintiff's express permission, the use constitutes an infringement of the plaintiff's intellectual property rights. It further averred that the defendant in a deliberate move to create confusion to the plaintiff's customers and unfairly leverage on the plaintiff's reputation and goodwill, incorporated the company Buspass Limited on 27th November, 2020 and has been using the said name in the offering of online public transport ticketing services in Kenya. The plaintiff contended that the defendant's acts are an infringement of its Trade Mark, thus prejudicial to its business.
4. The plaintiff asserted that it has not licensed any other person(s) including the defendant to utilize, copy or modify its lawfully registered and protected Trade Name and Mark. It was stated by the plaintiff that on 25th January, 2022, it lodged a formal complaint with the interested party in relation to the defendant's breach of its Trade Mark, misrepresentation and the confusion caused because of the similar names of the two entities. That the interested party conducted its investigations on the said complaint and vide a letter dated 10th February, 2022 directed the defendant to change its name within thirty (30) days, failure to which it would strike off the defendant from the Companies Register, but the defendant is yet to comply with the said directions.



5. In opposition to the plaintiff's suit, the defendant filed a statement of defence dated 3rd May, 2021 where it denied all the averments in the plaintiff's plaint and averred that before it was registered, an official search was carried out and the Registrar of Companies confirmed that the name Buspass was available for registration. The defendant further averred that post incorporation, it has never passed off the plaintiff's Trade Mark as its own in any way. It stated that other than being in the same business with the plaintiff, it has nothing else similar or in common with the plaintiff. The defendant contended that its name is not so strikingly similar to that of the plaintiff's as alleged, thus it has not caused any confusion to the public. The defendant urged this Court to dismiss the plaintiff's suit with costs to the defendant.
6. The Registrar of Companies did not file any pleadings in opposition to, or in support of the plaintiff's suit.
7. This matter proceeded to hearing where the plaintiff called one witness in support of its case. The defendant on the other hand did not call any witnesses.

Plaintiff's Case.

8. Mr. Wyclife Omondi testified as PW1. He adopted his witness statement dated 23rd March, 2021 and produced the plaintiff's bundle of documents dated 23rd March, 2021 as plaintiff exhibits 1 to 10, and its supplementary bundle of documents dated 17th April, 2023 as exhibits 11 to 13. PW1 testified that he is a Director/Founder of the plaintiff company which was incorporated in Kenya on 25th November, 2016 as Magic Bus Ticketing Kenya Limited, under Registration number PVT/2016/032650. He stated that on 11th May, 2017 the plaintiff changed its name to Buupass Kenya Limited, a name that Kenyans would relate to, since it was operating in the Kenyan Market. PW1 further testified that the plaintiff was registered as the absolute proprietor of Trade Mark number 97821 (Part A) for the word and device BuuPass, under Class 9 (Downloadable Software for urban commuters to pre-book and pay using mobile phones, electronic tickets, tickets in the form of magnetic cards), and Class 39 (Providing an SMS based ticketing platform for urban commuters to pre-book public buses and pay using mobile phones, computer ticket booking services for travel on 29th June, 2017.
9. PW1 stated that the plaintiff has used the said Trade Mark to distinguish its services from any other related service in the market particularly, in relation to online transport ticketing services, and its proprietorship of the said Trade Mark has not been the subject of any successful challenge. PW1 stated that the plaintiff has a right to enjoy the exclusive right to its use in connection with the downloadable software for urban commuters to pre-book public buses and pay using mobile phones, electronic tickets and the provision of SMS based ticketing platforms for urban commuters as well as computerized ticket booking services for travel thereof. PW1 contended that the plaintiff has been utilizing the Trade Mark in the provision of online bus ticketing since its registration and has even taken up business permits for the provision of the said services with the County Government of Nairobi.
10. It was PW1's evidence that the plaintiff has over the years acquired significant goodwill and a remarkable reputation in the name Buupass, having won the prestigious international Hult Prize Challenge 2016 for its innovation and social entrepreneurship. He testified that in a deliberate move to create confusion to the plaintiff's customers and unfairly leverage on the plaintiff's reputation and goodwill, the defendant incorporated Buspass Limited on 27th November, 2020, which name the defendant has been using in offering of online public transport ticketing services in Kenya. PW1 asserted that the similarity is in the name "Buu" which is slang word for "Bus", which is strikingly similar to the plaintiff's Trade Mark in a manner likely to deceive or cause confusion to the public. PW1 testified that defendant's name Buspass, attributes and design of trade are so identical to the plaintiffs



Trade Name and Mark as to be an infringement and/or passing off of the plaintiff's Trade Mark, and/or deliberately designed to infringe and/or pass off the plaintiff's Trade Mark.

11. It was stated by PW1 that they have now discovered that the defendant has been misrepresenting to the public, and using its name to cause confusion and prejudice to the plaintiff by creating downloadable softwares for online bus ticketing in the name of BusPass and "BusPass Staff" under the category Maps & Navigation, which amounts to infringement of the plaintiff's Trade Mark. He further stated that the said continued violation of the plaintiff's Trade Mark rights puts at risk the plaintiff's market reputation and exposes it to unquantifiable risk and loss. It was PW1's testimony that the trade design of using the names Buupass and Buspass interchangeably, and copying of the plaintiff's mode of trade is computed to cause confusion among the public, especially the plaintiff's customers by misrepresenting that the defendant's services are alike to and related with those of the plaintiff.
12. PW1 asserted that the plaintiff has not licensed the defendant, and that the latter has not sought to be granted permission to utilize, copy or modify the plaintiff's lawfully registered and protected Trade Mark. PW1 testified that a "cease and desist notice" dated 3rd February, 2021 was sent to the defendant by the plaintiff's Advocates on record, but instead of complying with the plaintiff's notice, the defendant through its Advocates on record in a letter dated 4th February, 2021 denied using the plaintiff's Trade Mark and/or a Trade Mark resembling the plaintiff's. It was stated by PW1 that ever since the name Buspass came into operation which was in the year 2020-2021, the plaintiff has noticed a decrease in the numbers of their app being downloaded. PW1 testified that it filed a complaint with the Registrar of Companies who wrote to the defendant asking it to change its name, but the defendant has to date not complied with the said request.
13. He further testified that the business model is such that customers download the app, book bus tickets, and Buupass makes money. However, in this case when customers search for Buupass on their laptops and computers, the word Buspass also appears hence Buupass loses clients to Buspass. For this reason, PW1 urged this Court to award them damages since the defendant tapped into their customer base. He stated that if the defendant is not restrained by way of an injunction, it will continue to pass off the plaintiff's Trade Mark, resulting to further misrepresentation and confusion in the market between the plaintiff's and the defendant's online ticketing services, causing the plaintiff to suffer irreparable damage.
14. In cross-examination, PW1 stated that in order to register a business, there is first preservation of the name, but he is not aware that the Registrar of Companies has the sole mandate to register companies. He further stated that he is not sure if the plaintiff's remedy lies with the Registrar of Companies. PW1 testified that the defendant interchangeably uses the name Buupass and Buspass as can be seen from plaintiff exhibit No. 6.
15. After the hearing of the plaintiff's case, the defendant closed its case without calling any witness. The Court directed parties to file written submissions. The plaintiff filed its written submissions on 12th February, 2024 and 4th March, 2024 by the law firm of Oseko & Ouma Advocates LLP, whereas the defendant's submissions were filed by the law firm of Malonza & Co. Advocates on 27th February, 2024.
16. Ms. Omitiba, learned Counsel for the plaintiff cited the provisions of Section 7(1) of the Trade Marks Act, Cap 506, Laws of Kenya and relied on the decisions made in *British United Provident Association Limited v Bupa Kenya Limited* [2020] eKLR and *East Africa Metal Works Ltd v Unique Suppliers & 4 others* [2011] eKLR, where the Court cited the Court of Appeal case of *Akt.Jonk-Vulcan v E.A. Match Co. Ltd* [1964] E.A. 62 at page 67, and submitted that the defendant violated the plaintiff's Trade Mark. She stated that the defendant was conducting its business and operations in the name(s) BusPass and/or Buspass which is similar to the plaintiff's duly registered Trade Mark BuuPass. She



- stated that PW1 testified that the word “Buu” is slang for the English word “Bus”, a fact that was not controverted by the defendant.
17. Counsel further stated that the defendant did not seek the plaintiff’s consent prior to the registration of the defendant company. She pointed out that notwithstanding the fact that the defendant was issued with a “cease and desist notice” by the plaintiff, and the fact that the interested party also wrote to the defendant requiring it to change its name, the defendant has continued to trade in the same name, to the plaintiff’s detriment. Ms Omitiba submitted that PW1 gave evidence to the effect that the plaintiff had an app that could be downloaded from the google play store, where its consumers could book their bus tickets, and the said witness demonstrated to the Court that the defendant had opened a similar app. She stated that in addition, Citti Hoppa which is the defendant’s client uses both names BuuPass and BusPass as an advertising and marketing strategy for the defendant as is evident from plaintiff exhibit Nos. 6 & 7.
 18. It was submitted by Counsel that as a result of the confusion created by the defendant, the plaintiff experienced a decrease in downloads of its application in Play Store, and a decrease in the online and/or ticketing bookings. She contended that as a result thereof, the plaintiff suffered financial prejudice. She urged this Court to take judicial notice of the fact that the parties herein operate a similar business and that no prejudice would have been occasioned to the defendant if it had changed its name.
 19. Ms. Omitiba asserted that it is evident that the plaintiff has made out a case for being granted the orders sought in its plaint. She relied on the case of *Pastificio Lucio Garofalo S.P.A v Debenham & Fear Ltd* [2013] eKLR, where the Court when dealing with the issue of assessment of damages reiterated the position in the case of *Gerber v Lectra* [1995] R.P.C 383. Counsel submitted that based on the online market and the bus users within Nairobi and its environs, the sum of Kshs.10,000,000/= as general damages for infringement of its Trade Mark is adequate and sufficient compensation to the plaintiff for the financial prejudice occasioned to it by the defendant.
 20. Ms. Musa, learned Counsel for the defendant relied on the Halsbury Laws of England 4th Edition’s definition of what amounts to infringement of a Trade Mark. She stated that the defendant was incorporated on 27th November, 2020 and a certificate of incorporation was issued by the interested party. That prior to the said incorporation, the defendant carried out an official search with the office of the interested party who confirmed the availability of the name Buspass for registration. She further stated that after registration of the defendant company, the defendant started its operations which included selling electronic bus tickets. Counsel submitted that the defendant has never infringed on the plaintiff’s Trade Mark in any way, and that the only similarity between the parties herein is that they operate in the same industry.
 21. Counsel referred to the provisions of Section 11 of the *Trade Marks Act* and argued that the registration of the plaintiff’s Trade Mark may not interfere with the defendant’s bona fide use of its name which it legally acquired through registration. She contended that Buspass and Buupass are distinctive and easily differentiable to the consumers hence there is no confusion and or deception as alleged. She asserted that the parties herein ought to be allowed to trade in their respective names. It was submitted by Counsel that the plaintiff’s allegation of breach of Trade Mark rights and subsequent confusion among the general public was not substantiated since the plaintiff did not call any member of the public to shed light on the alleged confusion during the hearing of the case.
 22. Ms. Musa relied on the case of *Reckitt & Colman Products Limited v Borden Inc. & others* [1990] 1 ALL ER 873 and submitted that the plaintiff has failed to demonstrate the goodwill attached to its services. She contended that since the plaintiff changed its name from Magic Bus Ticketing Kenya



- Limited to Buypass Kenya Limited, the goodwill attached to Magic Bus Ticketing Kenya Limited ceased to exist the moment the name change was effected.
23. She submitted that the defendant has firmly established itself in the market, hence it has nothing to gain by associating itself with the plaintiff. In addition, she stated that the defendant has not used the plaintiff's name in any way, in the cause of its business operations. Counsel cited the provisions of Section 107 of the *Evidence Act*, and also referred to plaintiff exhibit No. 6 and argued that the plaintiff has not tendered any evidence to demonstrate that Citti Hoppa is the defendant's client.
 24. Ms Musa was of the view that there was no way of proving the authenticity of plaintiff exhibit No. 6, since it was not verified and could have been made up purposely to advance the plaintiff's narrative. She contended that the plaintiff has not proved its passing off claim, and/or claim of infringement of its Trade Mark. Counsel relied on the case of *Sony Corporation v Sony Holding Limited* [2018] eKLR, and stated that the defendant herein followed all necessary legal procedures for the registration of its company name. She indicated that the Registrar of Companies authorized and approved the registration after a thorough examination of its application, that considered all potential conflicts with existing Trade Marks. She stated that the defendant had no reason to believe that its registration would infringe on the plaintiff's Trade Mark rights.
 25. Counsel further stated that since the defendant relied on the interested party's expertise, any shortcomings in this regard should not be attributed to the defendant but rather to the office of the interested party. Ms. Musa relied on the provisions of Sections 57 to 59 of the *Companies Act*, 2015 and submitted that the plaintiff's recourse lies with the Registrar of Companies. Therefore, the suit herein has been filed prematurely since the plaintiff has not exhausted all the administrative remedies available to it. To this end, she cited the case of *Republic v Registrar of Companies & 2 others: Ex parte Schindler Limited* [2020] eKLR.
 26. In a rejoinder, Ms. Omitiba relied on the Court of Appeal case of *Mohamed Shally Sese (Shah Sese) v Fulson Company Ltd & another* [2006] eKLR and argued that the present suit has not been filed prematurely. She pointed out that as stated by PW1, the plaintiff opted to move the Court first because there were certain reliefs sought by the plaintiff that cannot be granted by the Registrar of Companies. Further, vide a letter dated 26th January, 2022, the plaintiff lodged a formal complaint for infringement of a Trade Mark with the interested party, and the interested party in a letter dated 10th February, 2022 addressed to the defendant acknowledged the plaintiff's Trade Mark and directed the defendant to change its name within thirty (30) days or have the same struck off the Companies Register, but the defendant has never complied with the said directions, and the interested party has not struck off the defendant's name from the Companies Register.

Analysis And Determination.

27. I have considered and analyzed the evidence adduced by the plaintiff's witness, alongside the pleadings filed, as well as the written submissions by Counsel for the parties. The issues that arise for determination are -
 - i. Whether this suit was filed prematurely;
 - ii. Whether the defendant infringed on the plaintiff's Trade Mark;
 - iii. Whether the defendant has been passing off its product as that of the plaintiff; and
 - iv. Whether the plaintiff is entitled to the reliefs sought.



Whether this suit was filed prematurely.

28. In submitting that the suit herein was filed prematurely, the defendant relied on the provisions of Sections 57 to 59 of the Companies Act which state as follows-

- “57. Name not to be the same as another in the index
1. The Registrar shall not register a company under this Act by a name that is the same as another name appearing in the index of company names.
 2. The regulations may provide -
 - a. that registration of a company by a name that would otherwise be prohibited under this section be permitted –
 - i. in specified circumstances; or
 - ii. with a specified consent; and
 - b. that, if those circumstances are existing or that consent is given at the time a company is registered by a name, a subsequent change of circumstances or withdrawal of consent, does not affect the registration.
58. Power to direct change of name in case of similarity to existing name
1. The Registrar may direct a company to change its name if it has been registered by a name that is the same as or, in the opinion of the Registrar, too similar to –
 - a. a name appearing at the time of the registration in the Registrar’s index of company names; or
 - b. a name that should have appeared in that index at that time.
 2. A direction under subsection (1) may be given only within twelve months after the date on which the company concerned was registered or within such extended period as the Registrar may specify in writing in a particular case.
 3. In giving a direction under subsection (1), the Registrar shall specify the period within which the company is required to comply with the direction.
 4. ...
 5. If the company does not comply with the direction issued under subsection (1) within fourteen days, the Registrar shall publish a notice in the Gazette to strike the name of the company off the Register.



6. As soon as practicable after striking the name of the company off the Register, the Registrar shall publish in the Gazette a notice indicating that the name of the company has been struck off the register.

7. Upon publication of the notice under subsection (6), the company shall be deemed to have been dissolved.

8. ...

59. Power to make regulations for purposes of sections 57 and 58

For the purposes of sections 57 and 58, the regulations may provide for either or both of the following.

a. matters that are to be disregarded in deciding whether or not names are the same or are too similar;

b. words or expressions that are to be, or are not to be regarded as the same or too similar.”

29. Section 58 of the [Companies Act](#) gives the Registrar of Companies power to direct change of name in case of a similarity to an existing name. In this case, it is not disputed that vide a letter dated 26th January, 2022 which letter was produced as plaintiff exhibit No. 11, the plaintiff through its Advocates on record wrote to the interested party, complaining that it had approved the defendant’s name for registration, which name is phonetically and visually almost similar to the plaintiff’s name, yet the plaintiff company had been registered three (3) years before the incorporation of the defendant company. Subsequently, the interested party in a letter dated 10th February, 2022 addressed to the defendant, directed the defendant to change its name within thirty (30) days from the date of receipt of the said letter, failure to which the interested party would invoke the provisions of Section 58 of the [Companies Act](#) and strike off the defendant’s name from the Companies Register.

30. It is worthy of note that no evidence was adduced by the defendant to the effect that it has since complied with the interested party’s directive, and/or that the interested party has struck off the defendant’s name from the Companies Register. While this Court appreciates the provisions of Section 58 of the [Companies Act](#), it acknowledges that the said provisions do not bar a litigant from pursuing any legal remedies available to it from Court. Further, I note that despite the fact that the plaintiff’s complaint to the interested party was done during the pendency of this suit, the interested party directed the defendant to change its name, but the defendant has never complied, and if it did, that information was not brought to this Court. The defendant cannot therefore on one hand force the plaintiff to confine itself within the provisions of Section 58 of the [Companies Act](#), and on the other hand refuse to comply with the interested party’s directives issued pursuant to its powers provided for under Section 58 of the [Companies Act](#).

31. This Court therefore finds that Section 58 of the [Companies Act](#) does not provide for a dispute resolution mechanism, rather, it provides for the powers of the Registrar of Companies to direct change of name in case of a similarity to an existing name. Failing compliance with the said directive, an aggrieved party can move to Court to have the dispute heard and determined on merits, as the plaintiff has done in this instance. In the premise, I hold that the suit herein was not filed prematurely and it is properly before this Court.



Whether the defendant infringed on the plaintiff's Trade Mark.

32. The exclusive right of a proprietor to use a registered Trade Mark is guaranteed by the provisions of Section 7(1) of the *Trade Marks Act* which states that –

- “1) Subject to the provisions of this section, and of sections 10 and 11, the registration (whether before or after 1st 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 or in connection with the provision of any services in respect of which it is registered, and in such manner as to render the use of the mark likely to -
- a. be taken either as being used as a trade mark;
 - b. be taken in a case in which the use is upon the goods or in physical relation thereto or in an advertising circular or other advertisement issued to the public, as importing a reference to some person having the right either as proprietor or as licensee to use the trade mark or goods with which such a person is connected in the course of trade;
 - c. be taken in a case where the use is use at or near the place where the services are available for acceptance or performed or in an advertising circular or other advertisement issued to the public or any part thereof, as importing a reference to some person having the right either as proprietor or as licensee to use the trade mark or to services with the provision of which such a person as aforesaid is connected in the course of business;
 - d. cause injury or prejudice to the proprietor or licensee of the trade mark”.

33. In the case of *Landor LLC and Wpp Luxembourg Gamma Sarl v Wagude Lui t/a Landor & Associates & 2 others* [2019] eKLR the Court in determining an issue similar to the one before this Court held as follows -

“...the conditions to be met in an action for Trade Mark infringement under Section 7 are -

- a. The Plaintiff is the registered proprietor of the Trade mark.
- b. The alleged infringement was a Mark identical which or so nearly resembles that of the registered Mark so as to be likely to deceive or cause confusion in the course of Trade or in connection with the provision of the services in respect of which it is registered.
- c. The use of the Mark is without the consent or authority of the Proprietor.



- d. The use of Mark is such that it is likely to cause injury or prejudice to the proprietor or licensee of the Trade Mark.”
34. In this case, it is not disputed that the plaintiff is the absolute legal and registered owner of the Trade Mark BuuPass as from 29th June, 2017, whereas the defendant after following the due process with the interested party had its company incorporated on 27th November, 2020. It was PW1’s testimony that “Buu” is slang for the English name “Bus”, a fact which was not disputed by the defendant. That means that the name Buspass is not only similar to Buupass with respect to meaning, but is also phonetically and visually similar. Having found that there is obvious and remarkable similarity between the two Marks, then the other issue to establish is whether in the context of the trade or services offered by the defendant, the apprehension of confusion or deception is credible.
35. Evidence was led that the parties herein are both engaged in online public transport ticketing services in Kenya, which involves downloadable software for urban commuters to pre-book public buses and pay using mobile phones, electronic tickets and the provision of SMS based ticketing platforms for urban commuters, as well as computerized ticket booking services for travel thereof. In view of the foregoing, it is evident that the parties herein are in the same line of business. It is not disputed that the plaintiff has been licensed by the Nairobi County Government to carry out trade in the name of its registered a Trade Mark, in the same area that the defendant also operates and/or carries on its trade. The defendant’s defence is heavily anchored on the fact that it followed due process at the time of its incorporation, as its company name was registered by the interested party who is the custodian of the Companies Register, and asserts that it has every right to trade in its name.
36. It is however worthy of note that the Registrar of Companies in a letter dated 10th February, 2022 addressed to the defendant stated that allocation of the name Buspass to the defendant was done inadvertently and without the plaintiff’s consent as the owner of the Trade Mark’s Buupass, thus it is no longer tenable. The Registrar of Companies went on to find that the defendant’s name is strikingly similar to the plaintiff’s Trade Mark and directed the defendant to change its name within thirty (30) days from the date of receipt of the said letter, failure to which the interested party would strike off the defendant’s name from the Companies Register. It is evident that the defendant has neither faulted nor challenged the interested Party’s finding above and/or directive.
37. In order to determine whether a similarity in Marks is likely to cause confusion the Court in the case of Premier Food Industries Limited v Triclover Industries (K) Limited [2021] eKLR, cited the case of Sabel Bv v Puma Ag Rudolf Dassler Sport, Case C-251/95 in which it was held that-
- “The likelihood of confusion must therefore be appreciated globally, taking into account all factors relevant to the circumstances of the case. That global appreciation of the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components. The wording of Article 4(1)(b) of the Directive – “...there exists a likelihood of confusion on the part of the public...” – shows that the perception of marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global appreciation of the likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details”. [own emphasis]
38. In view of the evidence adduced, documentation relied by the plaintiff, I am persuaded that the defendant’s name Buspass is strikingly similar to the plaintiff’s Trade Mark, thus it is likely to deceive or cause confusion in the course of trade.



39. As correctly stated by the Registrar of Companies in his/her letter dated 10th February, 2020, the registration and/or use of the defendant's name was, and continues without the plaintiff's consent. The plaintiff has demonstrated in its exhibit No. 6 that one of the defendant's clients by the name Citti Hoppa in a Facebook advertisement, used the names Buupas and Buspass interchangeably.
40. The defendant in opposition thereto submitted that the plaintiff has not tendered any evidence in support of the fact that Citti Hoppa is indeed the defendant's client. Further, this Court has no way to authenticate the said post as it could have as well been manufactured by the plaintiff to further its allegations against the defendant. At this juncture, it is important to point out that at the time of filing this suit, the plaintiff filed a certificate of authentication of electronic records dated 23rd March, 2021 by Collins Masero, the Technical Lead, who manages all the plaintiff's ICT infrastructure.
41. Mr. Masero indicated that he was making the said certificate in respect to the printouts of the online publication on the Facebook account of Citti Hoppa. The provisions of Section 106B (1) of the Evidence Act are applicable in this regard. They state as follows–
- “Notwithstanding anything contained in this Act, any information contained in an electronic record which is printed on a paper, stored, recorded or copied on optical or electro-magnetic media produced by a computer (herein referred to as "computer output") shall be deemed to be also a document, if the conditions mentioned in this section are satisfied in relation to the information and computer in question and shall be admissible in any proceedings, without further proof or production of the original, as evidence of any contents of the original or of any fact stated therein where direct evidence would be admissible.”
42. This Court notes that PW1 testified that since the name Buspass came into operation which is in the year 2020-2021, it has noticed a decrease in the numbers of the plaintiff's app being downloaded and the number of tickets being booked using its app, which evidence was not rebutted and/or controverted by the defendant during cross-examination. In addition, the plaintiff successfully demonstrated that consumers of its services are already using the names buupass and buspass interchangeably. In view of the striking similarity between the plaintiff's Trade Mark and the defendant's business name, 'Wanjiku', meaning the common man, is likely to be easily confused on which app to use when booking his/her travel ticket online, thus leading to assumptions that the two names might belong to the same company, and/or that it is a marketing strategy to reach a wider customer base. In essence, this means that the defendant has tapped into the plaintiff's customer base causing it to potentially suffer losses as a result of reduced customer traffic on its app.
43. In view of the foregoing, and the fact that the defendant did not challenge the certificate of authentication of electronic records dated 23rd March, 2021 filed by the plaintiff, this Court is satisfied that the plaintiff has demonstrated on a balance of probabilities that if the defendant is allowed to continue trading using the name Buspass, the plaintiff shall be at the risk of suffering financial loss.
44. In the premise, I find that use of the name Buspass by the defendant amounts to an infringement of the plaintiff's Trade Mark.



Whether the defendant has been passing off its product as that of the plaintiff.

45. A passing off claim is the right of a trader to bring a legal action for the protection of goodwill. The elements required to prove an action for passing off were set out in the case of *Reckitt & Colman Products Ltd v Boden Inc & Others* 1990 R.P.C. 34, where it was held as follows-

“The law of passing off can be summarized in one short general proposition, no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the Plaintiff in such an action has to prove in order to succeed. These are three in number. First, he must establish a goodwill or reputation or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying “get up”(whether it consists simply of a brand name or a trade description, or the individual features of labelling or packing) 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 believe that goods or services offered by him are the goods or services of the Plaintiff. Whether the public is aware of the plaintiff’s identity as the manufacturer or supplier of the goods or services is immaterial, as long as they are identified with a particular source which is in fact the Plaintiff. For example, if the public is accustomed to rely upon a particular brand name in purchasing goods of a particular description, it matters not at all that there is little or no public awareness of the identity of the proprietor of the brand name. 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 good or services is the same as the source of those offered by the Plaintiff”.

46. This Court has already found that the defendant’s business name Buspass and the plaintiff’s Trade Mark Buupas have striking similarity that is likely to cause confusion to the general public. Further, the plaintiff has successfully demonstrated that the consumers of the services offered by the parties herein, such as Citti Hoppa are using the said names interchangeably. It is also important to note that PW1 during examination-in-chief testified that since the name Buspass came into operation which is in the year 2020-2021, it has noticed a decrease in the numbers of the plaintiff’s app being downloaded by consumers, and also a decrease in the number of ticket bookings being made using its app, which evidence was not rebutted and/or controverted by the defendant during cross-examination.

47. Bearing the above into consideration, I am persuaded that this is a classic case of passing off where the defendant is depicting its services as those of the plaintiff. Further, this Court finds that the defendant’s business name and the plaintiff’s Trade Mark are indistinguishable due to the striking in Trade Mark and an average customer would not be able to differentiate between the two. In the Ugandan Case of *Britania Allied Industries Ltd –Vs- Aya Biscuits (U) LTD* (HCT – 00 – CC- CS-024) [2012] UGCOMM 61 (9 June 2012) cited by the Court in *Premier Food Industries Limited v Triclover Industries (K) Limited* (supra), the Court described passing off as follows -

“Passing off is a tort developed out of deceit. It can be described as the common law from of trade mark law but with wider coverage. The law of passing off and trade mark law have common roots and therefore are in many respects similar. The main point about passing off



is that goodwill has been established by one trader and that another trader is trying to take advantage of that goodwill to cash in on it to the detriment of the first trader.”

48. In this case, PW1 testified that over the years, the plaintiff has acquired significant goodwill and a remarkable reputation in the name and mark Buupass, having won the prestigious 2016 Hult Prize Challenge for its innovation and social entrepreneurship connected with the use of the Name and Mark. The defendant challenged this position on the ground that since the plaintiff acquired significant goodwill while it was being referred to as Magic Bus Ticketing Kenya Limited, the goodwill attached to the said company ceased to exist the moment the name change was effected to Buupass Kenya Limited. This Court is inclined to disagree with the defendant since the records at the Registrar of Companies would still reflect that the plaintiff was at the time of incorporation referred to as Magic Bus Ticketing Kenya Limited. Further, in my considered view, a change of name does not mean that the plaintiff herein can no longer be associated with the goodwill and exposure it attained at the time it was referred to as Magic Bus Ticketing Kenya Limited.
49. Cosmetic surgery by change of name, while the business model and services being rendered remain the same, would not change the core identity of a corporate person, as consumers of its products would still associate the persona pre-surgery to the persona post-surgery. In this instance, the plaintiff's change of name did not change the business model, as the plaintiff is still in the same line of business it was in before, when it was known as Magic Bus Ticketing Kenya Limited. It is therefore my finding that any goodwill and/or exposure attached to Magic Bus Ticketing Kenya Limited is equally attached to Buupass Kenya Ltd.
50. In view of the foregoing, and the plaintiff having established that it had significant goodwill over the use of the Trade Mark Buupass prior to the registration of the defendant company, I am persuaded that the plaintiff has demonstrated that the defendant has been passing off its product as that of the plaintiff, which is detrimental to plaintiff's business.

Whether the plaintiff is entitled to the reliefs sought.

51. In view of the findings on the other issues, this Court finds that the plaintiff is entitled to the reliefs sought in the plaint. It is noteworthy that one of the reliefs sought by the plaintiff is an order of enquiry as to or an account of profits and payment of all sums found due to the plaintiff by the defendant's passing off and infringement of the plaintiff's intellectual property rights and an order for payment to the plaintiff of such sums due upon taking such enquiry or account. The plaintiff in its submissions contended that an award of Kshs.10,000,000/= in general damages would be sufficient to cover the loss suffered by it as a result of the defendant's infringement of its Trade Mark.
52. In the case of *British United Provident Association Limited v Bupa Kenya Limited* (supra) cited by the plaintiff, the Court held that –

“As to the taking of account of profits of an infringer, the philosophy behind the remedy is that a party who has profited unlawfully from using or riding on another's intellectual property should not be allowed to keep the profits made from such venture. To permit that would be to allow for unjust enrichment.”
53. In the end, it is my finding that the plaintiff's suit is merited. I therefore enter judgment for the plaintiff as against the defendant. I hereby grant the following orders –
 - i. A declaration is hereby issued that the defendant has infringed and/or passed off the plaintiff's registered Trade Mark namely Buupass Registration Number 97821;



- ii. A permanent injunction is hereby issued restraining the defendant whether by itself, its directors, officers, employees, servants, agents, licensees, franchisees or anyone claiming under the defendant from infringing and/or passing off the plaintiff's intellectual property rights connected with the plaintiff's registered Trade Mark namely Buupass and registered under Registration Number 97821;
- iii. A permanent injunction is hereby issued compelling the defendant whether by itself, its directors, officers, employees, servants/agents, licensees, franchisees or anyone claiming under them howsoever to forthwith cease trading, promoting, advertising, marketing, carrying on business and/or any other trade documents of any nature with the plaintiff's Trade Name and Mark namely Buupass or the name Buspass which creates confusion with the plaintiff's registered Trade Mark Buupass;
- iv. An order is hereby issued that the defendant shall destroy on oath and in the presence of the plaintiff and the Deputy Registrar of the Nairobi High Court Commercial & Tax Division, all publicity material and any other thing marked with the word "Buupass" or "Buspass" in the defendant's possession that infringes on the plaintiff's Trade Mark;
- v. An order is hereby issued that the defendant shall change its name to exclude the word Buspass;
- vi. Orders (iv) and (v) above to be undertaken or effected within thirty (30) days of the date of this judgment;
- vii. An enquiry as to damages or an account of profits and payment of all sums found due to the plaintiff by the defendant's passing off and infringement of the plaintiff's intellectual property rights and an order for payment to the plaintiff of such sums due upon taking such enquiry or account is hereby granted. The Chairman of the Institute of Certified Public Accountants of Kenya is hereby directed to appoint an Accountant to undertake the task of establishing the profits made by the defendant in its use of the Trade Name Buspass and the plaintiff's Trade Mark Buupass, and for passing off the plaintiff's goodwill and services;
- viii. Costs of the suit are hereby awarded to the plaintiff; and
- ix. Interest on orders (vii) and (viii) are awarded to the plaintiff at Court rates from the date of judgment until payment in full.

It is so ordered.

**DATED, SIGNED AND DELIVERED AT NAIROBI ON THIS 30TH DAY OF JULY, 2024.
JUDGMENT DELIVERED THROUGH MICROSOFT TEAMS ONLINE PLATFORM.**

NJOKI MWANGI

JUDGE

In the presence of:

Ms J. Omwamba for the plaintiff

Ms Musa for the defendant

No appearance for the interested party

Ms. B. Wokabi – Court Assistant.

