REPUBLIC OF KENYA

IN THE HIGH COURT OF KENYA AT NAIROBI

COMMERCIAL & ADMIRALTY DIVISION

HCCC NO. 407 OF 2016

NEWTON OIRERE NYAMBARIGA……..……...……PLAINTIFF

VERSUS

KCB BANK KENYA LIMITED……...…….1ST DEFENDANT

QUITE BRIGHT FILMS LIMITED……...……..2ND DEFENDANT

RULING

1. This Suit concerns a Television (T.V) Reality Show "Lions Den". The action by the Plaintiff against the KCB Bank Kenya Limited (The 1st Defendant or KCB) and Quite Bright Films Limited (The 2nd Defendant or Quite Bright) is for an alleged breach of Copyright, passing off, Trademark infringement and Breach of Trust in respect to the said Show.

2. The Plaintiff presents his case through the Amended Plaint filed herein on 4th November 2016. He avers that he is the registered Copyright owner of Lions Den and the owner of the mark "LIONSDEN". He avers that he shared with KCB a proposal based on a T.V Reality Show which was to be comprised of a number of entrepreneurs making presentations before a panel of Investors with the objective of having the Investor invest in the entrepreneurs ideas. KCB would not partner with the Plaintiff citing budgetary constraints.

3. Undeterred, the Plaintiff shared the proposal with other partners and organized a pilot project for the show at Kingdom Business Network on 17th January 2015. The Plaintiff also says that he has made progress in getting other potential sponsorship.

4. This suit was triggered when KCB and Quite Bright caused to be aired on Nation Television a Show titled "Lions Den". The Plaintiff feels breached and contends that both have committed acts of infringement and passing off against his Copyright and Mark. In addition, the Plaintiff alleges Breach of Trust. The particulars of infringement and passing off are set out in paragraph 9 of the pleadings. Same must necessarily be discussed in this Ruling.

5. The Plaintiff avers that it has suffered loss of business opportunities with potential partners and/or sponsors, loss of Business Revenues and loss of Value on the Intellectual Property. The Plaintiff seeks the following prayers:-

a) An order restraining the Defendant/Respondent by itself, it's servants, its agents, its workers, assigns and/or any persons claiming through it, from using, causing to be advertised in the print and

electronic media or any other form of media and/or running a program on any electronic or print media titled or bearing the name "LIONS DEN".

b) Damages for breach of trust, infringement on the Plaintiff's copyright and passing off the Plaintiff's mark.

c) Damages for loss of business and income.

d) Any other relief that this Honourable court may deem fit and just to grant.

e) Costs of this suit.

6. What the Court is now asked to consider and determine is an Interlocutory Motion by KCB dated 5th December 2016 for the following prayers:-

i) The Amended Plaint filed herein and dated 18th October 2016 be struck out.

ii) In the alternative to prayer i above, the first Defendant be struck out from these proceedings.

iii) The costs of the application be provided for.

7. So what is the Defence of KCB and Quite Bright? Both resist the claim. KCB first asserts that the Law of Copyright does not protect ideas and the Plaintiff cannot claim to be protected in relation to an idea based on a Television reality show as alleged or at all.

8. KCB explains that "LIONS DEN" is a Local adaption of the shows "Shark Tank" ad "Dragons Den" which are owned by Sony Pictures Television UK Rights Limited (Sony) and Colgems Production Limited (Colgems). The Shows have been produced and aired in several Countries for over 10 years. It is averred that in Kenya, Sony gave licensing rights of the Show to Quite Bright.

9. KCB admits receiving the proposal by the Plaintiff but states that the proposal was unsolicited and was neither accepted or utilized by the KCB. KCB argues that the mere fact that it received a proposal from the Plaintiff did not and could not be said to have created any legal obligation/relationship between it and K.C.B.

10. The case by K.C.B is that sometime in early 2016, Quite Right approached it in respect to potential sponsorship of a Show structured around the concept of the already popular "SHARK TANK" and "DRAGONS DEN" Shows. Quite Bright represented to K.C.B that it had pursuant to a license agreement it had with Sony and Colgems, acquired exclusive license to produce and air a Television Show in Kenya based on a format similar to "SHARK TANK" and "DRAGON DEN". On 6th April, 2016, K.C.B entered into a sponsorship agreement with Quite Bright for the production of the Show 'LIONS DEN".

11. K.C.B denies creation of a relationship of Trust and asserts that the Plaintiff is estopped from claiming a breach of Trust in relation to an Intellectual Property that belongs to Sony and Colgems. The Court is urged not to enforce an illegality.

12. Quite Bright makes a similar Defense but contends that Sony and Colgems owns the Copyright to "SHARK TANK" and "DRAGONS DEN" and have licensed and authorized the production and adaptation of the Shows in Kenya under the name "LIONS DEN". It is averred that pursuant to a license agreement between it and Sony and Colgem, Quite Bright has acquired an exclusive license to produce and air a Television Show in Kenya based on a format similar to "SHARK TANK" and "DRAGONS DEN" Television Shows.

13.The Plaintiffs claim is on four causes of action. Trademark, Infringement, Passing Off, Copyright infringement and Breach of Trust. It is proposed that the Motion before Court be discussed in the context of the four headings.

Trademark

14. In the Plaint it is averred by the Plaintiff that it is the owner of the Mark "LIONS DEN". This is denied by the Defendants. When prosecuting the Motion, Counsel for K.C.B made reference to paragraph 11 of the Plaintiffs Affidavit of 6th October 2016. This is what the Plaintiff stated,:-

> "11. THAT I also proceeded to submit an application for a search with the Trade Marks Registrar at KIPI. It was confirmed that the mark was available for registration. I was asked to submit my application for registration and make necessary payment. I then proceeded as advised. The Mark was approved and is now pending for advertisement with the Registrar of Trade Marks after which a certificate shall be issued. (*Annexed and marked as "NON 6" are copies of the search results, the application for registration and the approval as well as payment receipts)*.

15. As I understand K.C.B, this would be evidence that the Trademark is unregistered and the Suit would run afoul of Section 5 of The Trade Mark's Act. Section 5 reads:-

> "No person shall be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an unregistered trade mark, but nothing in this Act shall be deemed to affect rights of action against any person for passing off or the remedies in respect thereof".

16. The effect of Section 5 of The Trademarks Act is plain and simple and has been affirmed by many Court Decisions (see for example British United Provident Association vs. Bupa (Kenya) Ltd [2003] eKLR cited by the Plaintiff). Section 5 of The Trade Marks Act expressly and in no uncertain terms bars the bringing of an action for infringement of an unregistered Trade Mark.

17. However, this Court has seen the Plaintiffs list of Documents and copies thereof filed herein on 6th March 2017, just a day before the Motion herein was filed. At page 48 is a copy of Trade Mark certificate for Trade Mark No.92777 for a mark that bears the name "LIONS DEN" in favour of the Plaintiff. Whilst the date of the Certificate is 22nd February 2017, the effective date of registration is 20th June, 2016. The effective date would have given in conformity with the provisions of Section 22(1) of The Trade Mark Act:-

> "1) When an application for registration of a trade mark in Part A or in Part B of the register has been accepted, and either—
>
> (a) the application has not been opposed and the time for notice of opposition has expired; or
>
> (b) the application has been opposed and the opposition has been decided in favour of the applicant, the Registrar shall, unless the application has been accepted in error, register the trade mark in Part A or Part B, as the case may be, and the trade mark, when registered, shall be registered as of the date of the application for registration, and that date shall be deemed for the purposes of this Act to be the date of registration:
>
> Provided that the provisions of this subsection, relating to the date as of which a trade mark shall be registered and to the date to be deemed to be the date of registration, shall, as respects a trade mark registered under this Act with the benefit of any enactment relating to international or inter-imperial arrangements, have effect subject to the provisions of that enactment".

18. The observation to be made is that, if the Certificate is indeed authentic, its effective date (ie. 20th June 2016) is a date before the said infringement is alleged to have been committed ie. (September 2016). It is also a date prior to the bringing of this action. Given this Certificate, the Court is unwillingly to readily accept the argument that the cause of action under the Trademark Act is brought on the basis of an unregistered Trade Mark.

Passing off Claim

19. A passing off claim is a right of trader to bring a legal action for protection of goodwill. It is actionable under the law of unfair competition and sometimes as a Trademark infringement. In Reckitt & Colman Products Ltd. Vs. Borden Inc & others,(1990) R.P.C.34 Lord Oliver Aylmerton sets out the three element to be proved in an action for passing off. He states:-

> "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 band 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".

20. The argument by K.C.B is that the Plaintiff cannot succeed in this Claim in the absence of a Registered Trademark or Goodwill or Reputation. The Plaintiff on the other hand asserts that it has acquired the Goodwill or Reputation in respect of "LIONS DEN". For example in paragraph 6 of the Amended Plaint he avers:-

> "The Plaintiff went ahead organized for a pilot project of the same reality Show at Kingdom Business network on 17th January, 2015. The Plaintiff also proceeded to seek for other Partners and has since then made progress in getting Partners who are keen on offering sponsorship towards running the said program".

21. The view I take is that the question as to whether the Plaintiff has acquired Goodwill or Reputation is one of the evidence and should be left for Trial.

Copyright

22. As correctly, submitted by Counsel for K.C.B, Copyright law accords protection not to ideas but to the expression of ideas. It was then argued that the Plaintiff has not shown how his purported idea has been personified or reduced into paper or publication capable of breach. That to the contrary, K.C.B has ably demonstrated that the Copyright belongs to Sony and Colgems. In this regard the Court was referred to Affidavit of Tom Ogola and John Syekei. In the Affidavit of Mr. Ogola it had been deponed that the concept of the reality Show "LIONS DEN" was not a new or novel idea as it had been in the public domain for a long time.

23. In addition it was deponed that the concept is reputably known to be a registered copyright of Sony run under the names "SHARK TANK", "DRAGON DENS" and "LION DEN". In the KCB list of Documents are copies of varies certificates of Registration of Copyright for various Shark Tank publications.

24. The Plaintiff does not agree and avers as follows in paragraphs 2 of his Affidavit of 16th December 2016:-

"2. THAT in early the year 2014, after much thought and research, I develop a concept known as "LIONS DEN" which entailed, having prospective entrepreneurs making a presentation before a panel of investors on the entrepreneur's business idea with the intention of the entrepreneur getting one or a number of investors, investing in the actualization of the idea".

25. In addition the Plaintiff submits that the Defendants are in breach of Section 33(3) of The Copy Right Act:-

"3) No assignment of copyright and no exclusive licence to do an act the doing of which is controlled by copyright shall have effect unless it is in writing signed by or on behalf of the assignor, or by or on behalf of the licensor, as the case may be and the written assignment of copyright shall be accompanied by a letter of verification from the Board in the event of an assignment of copyright works from outside Kenya".

26. To this the KCB retorts that the Plaintiff has not demonstrated ownership of the Copyright.

27. It is accepted and common ground that Copyright law accords protection not to ideas but to the expression of ideas. Indeed, this becomes clear when one looks at Section 22 of The Copyright Act which sets out works eligible for Copyright. Section 22 reads:-

1) Subject to this section, the following works shall be eligible for copyright—

(a) literary works;

(b) musical works;

(c) artistic works;

(d) audio-visual works;

(e) sound recordings; and

(f) broadcasts

(2) A broadcast shall not be eligible for copyright until it has been broadcast.

(3) A literary, musical or artistic work shall not be eligible for copyright unless—

(a) sufficient effort has been expended on making the work to give it an original character; and

(b) the work has been written down, recorded or otherwise reduced to material form.

(4) A work shall not be ineligible for copyright by reason only that the making of the work, or the doing of any act in relation to the work, involved an infringement of copyright in some other work.

(5) Rights protected by copyright shall accrue to the author automatically on affixation of a work subject to copyright in a material form, and non-registration of any copyright work or absence of either formalities shall not bar any claim from the author.

28. While there is little doubt that Sony holds Copyright for the Shows "SHARK TANK" and "DRAGONS DEN", the Plaintiff's case is he has a copyright in respect to an Audio visual work entitled "LIONS DEN" (see Certificate of Registration of a Copyright work dated October 16, 2015). The argument by KCB in respect to the Copyright is the sponsored Show is merely an adaption of "Shark Tank" and 'Dragons Den" which have existed for 20 years and that the Plaintiff acknowledges that there is no similarity in his Show and the sponsored Show.

29. It would seem that whether or not the Plaintiff's idea is personified or reduced into a work eligible for protection under the Copyright Act is a matter to be determined by way of evidence. The Plaintiff's claim in this respect cannot be dismissed offhand because he holds a Certificate of a Copyright in respect to some Audio visual work.

30. As to whether the sponsored Show is merely an adaption of the already famous "DRAGON DEN" or "SHARK DEN" or a copy of the Plaintiffs work is again a matter of evidence that cannot be resolved on affidavit evidence. For now this Court is unable to find that the Plaintiff does not have a reasonable cause in Copyright law.

Breach of Trust

31. There is common evidence that sometime in 2014 the Plaintiff approached KCB with a request that it sponsors his Television Reality Show dubbed "LIONS DEN". That request was not accepted. The grievance of the Plaintiff against KCB is that, having his proposal in its custody, KCB and Quite Bright adopted his concept including the title to the program. He then avers:-

> "12. THAT I am also the registered owner of the domain name, WWW.lions den. co.ke as well as all social media accounts in the name of Lionsden. (Annexed and marked as "NON 7" are copies of documents as evidence of this fact).

32. There is a proposition, correct in my view, that,

> "The Court will not imply a trust save in order to give effect to the intention of the parties. The intention of the parties to create a trust must be clearly determined before a trust will be implied".
>
> (Marie Ayoub & others Vs. Standard Bank of South Africa Ltd & another [1963] EA 619)

33. The Plaintiff has neither pleaded nor deponed in his affidavit any facts that show an intention that a Trust relationship be created between KCB and himself when he submitted his proposal to K.C.B. It is not showed, for instance, that K.C.B signed into a Confidentially or Restraint of Business agreement in respect to the proposal. In addition, the Plaintiff does not argue that Trust circumstances can be implied by the law.

34. There does not seem to be any real prospects of the Plaintiff sustaining a cause of action for Breach of Trust.

35. It would seem therefore that the Court at this stage and without receiving evidence, cannot find that the Plaintiff does not have a reasonable cause of action for infringement of a Trademark and/or Copyright and Passing Off. But there is another argument by KCB. That even if the Plaintiff was entitled to those Claims it cannot do so against KCB whose role is purely sponsorship of a Show produced by K.C.B. KCB in essence argues that it is non-suited.

36. The sponsorship agreement between KCB and Quite Bright is dated 6th April, 2016. The role of KCB in the arrangement is set out in Clause 1(c) of The Agreement as follows:-

> "KCB Bank's role and requirements may include but not be limited to the following:-
>
> i) Avail to the Producer its logo for use in the Programme.
>
> ii) Creating a platform in conjunction with 2Jiajiri Business Challenge to receive all applications from potential contestants, utilizing their extensive branch network as well as creating a central database that can be accessed by the Producer.
>
> iii) Running all public relations elements to the Programme campaign including Twitter, facebook, other social media an press releases, which would include regularly updated information on

investments made by the investors participating in the Program.

iv) Creating and operating a dedicated program website/youtube channel linked directly to KCB existing web/youtube platform.

v) Negotiating and purchasing all media including securing a primetime slot for series broadcast on either citizen TV or Nation TV, or any other national broadcasting station as well as multiple billboards and radio slots.

vi) Create a Programme website offering resources including but not limited to clips from the show including interviewers with the entrepreneurs and behind the scenes footage, information on the investments made by each of the entrepreneurs, links to relevant social networking, other entrepreneur stories, business etiquette and tips for a successful business, blog for budding entrepreneurs and links to your new business start up resources".

37. This Court's understanding of the argument by KCB is that, if there is a party that is guilty of passing off or infringement then it would be Quite Bright and not itself as it was purely a sponsor. But there is a contrary position by the Plaintiff that other than sponsoring the Broadcast, KCB is itself guilty.

38. After signing the Sponsorship Agreement, KCB signed an Agreement for Broadcast of the Show with Nation Media Group Ltd. The Agreement contain this curious clause 4.1,

"The parties hereby confirm that all the Copyright, Performers' and allied rights in relation to the Series shall belong to KCB".

Curious because, KCB holds itself out as the owner of the Copyright and allied rights in relation to the series which is described in the Agreement to be episodes of "Lions Den" Show. This of course does not sit comfortably with clause 11(j) of the Sponsorship agreement which clarifies that the Intellectual rights in the series are the property of Quite Bright.

39. The declaration by KCB of ownership of the Copyright and allied Rights in the series may not mean much when one considers that the Exclusive License of the Format was granted by Sony and Colgems to Quite Bright. See license of 11th March 2016. This license was not assigned to KCB. In this respect clause 4.1 of the Agreement for Broadcast was not entirely accurate. For that reason this Court would be slow in holding that only because of the wording of that clause can KCB be said to be more than a Sponsor.

40. That said, there is a revelation in the Affidavit of Tom Ogola of which may call for some interrogation of the extent of the role of KCB in the alleged adaption of the foreign format for the Kenyan viewership. He depones as follows:-

"25. QBF and KCB agreed to rename the local Show LIONS DEN which would be a version of the "Dragon's Den" name that belonged to the Licensors.

26. The reason the name LIONS DEN was choosen was because it had a conceptual connection to the Licensor's trademark which alluded to a "DEN" and to KCB's logo, which is made up of a distinctive lion device" *(my emphasis*)

41. If K.C.B took an active role in the renaming of the Show to "LIONS DEN" which the Plaintiff claims ownership then it needs to be asked whether KCB should be released from these proceedings before the Plaintiff is heard on his claim. This Court is unable to accede to that request by KCB.

42. In the end the Court finds that no cause of action for Breach of Trust is disclosed and that portion of the Plaintiff's claim is struck out. Otherwise the Notice of Motion dated 5th December 2016 is dismissed with 2/3 costs of the Plaintiff.

Dated, Signed and Delivered in Court at Nairobi this 13th day of

October, 2017.

F. TUIYOTT

JUDGE

PRESENT;

Nyamolo for Owaga for Plaintiff

Mwango for 1st Defendant

Ojuoku for 2nd Defendant

Alex - Court clerk