



**Jambopay Express Limited v Webtribe Limited t/a Jambopay (Civil Appeal 285 of 2017) [2022] KECA 747 (KLR) (27 May 2022) (Judgment)**

Neutral citation: [2022] KECA 747 (KLR)

**REPUBLIC OF KENYA  
IN THE COURT OF APPEAL AT NAIROBI  
CIVIL APPEAL 285 OF 2017  
W KARANJA, HM OKWENGU & S OLE KANTAI, JJA  
MAY 27, 2022**

**BETWEEN**

**JAMBOPAY EXPRESS LIMITED ..... APPELLANT**

**AND**

**WEBTRIBE LIMITED T/A JAMBOPAY ..... RESPONDENT**

*(Being an Appeal from the judgment and decree of the High Court at Nairobi Court (Hon. Farah S.M. Amin, J.) delivered on 15th May, 2017 in NAIROBI H.C.C.C. 159 OF 2014)*

**JUDGMENT**

1. This is an appeal from the judgment of the High Court at Nairobi (Farah Amin, J.) delivered on 15<sup>th</sup> May, 2017. The suit in the High Court was filed by Webtribe Limited T/A Jambopay (the respondent), against Jambopay Express Limited (the appellant). The respondent described itself in the plaint as a Software Development and Consultancy Company, specializing in payment systems, management systems, card based systems and system interrogations. It asserted that it is the proprietor of “JamboPay”, an online payment gateway that allows users to make and receive payments through mobile phone over the internet, and that it registered ‘Jambopay’ as a trade mark on 17<sup>th</sup> December 2009, and the trade mark was to expire on 17<sup>th</sup> December 2019.
2. The respondent’s claim as gleaned from the plaint filed in the High Court was briefly that it entered into negotiations with Arif Manji, a director of Sam Consultancies Limited, with a view to a share purchase agreement and formation of ‘JamboPay Express Limited’ as a subsidiary of the respondent to offer online payment services to JamboPay users. Although the negotiations fell through, the appellant company of which Arif Manji is a director was registered as a separate legal entity under that name and the appellant now runs a similar online system under the name ‘JamboPay Express’. During the negotiations, the appellant’s proprietors had complete access and exposure to the respondent’s information, including its systems. The appellant has also engaged the respondent’s former employees



- who had similar access and exposure. As a result, the appellant had infringed and continued to infringe on the respondent's JamboPay trade mark. The respondent was aggrieved that the appellant had prejudiced the respondent's brand management; was exploiting the image, reputation and trust that the respondent had built, and was benefitting unfairly and infringing on the respondent's trade mark.
3. The prayers sought by the respondent in the suit included orders of injunction restraining the appellant from using, trading, infringing or engaging in any other way, either directly or indirectly with the JamboPay Trade mark. The respondent also prayed for general damages and costs to be awarded in its favour and the appellant to be de-registered.
  4. The appellant filed a defence to the suit in which it essentially denied having contravened any law in registering its company, 'JamboPay Express Limited'. It contended that the company was incorporated in October 2012 with the full knowledge and consent of the respondent, who cannot now claim that there was infringement of its trade mark. It denied that there was any evidence of confusion caused by the trade mark, nor had any patent been registered in respect of the respondent's online payment system, nor was there any evidence that it (appellant) was operating an identical system. To the contrary, it runs an online payment system known as 'Umojapay' which is different and distinct from the respondent's trade mark 'JamboPay with Device'. The appellant maintained that no confidentiality agreement existed between itself and the respondent; and that the respondent's trade mark protected 'JamboPay with Device' and not 'JamboPay'.
  5. The hearing of the suit proceeded with each party calling witnesses in support of their case. The parties also filed written submissions each urging the Court to rule in its favour. In the impugned judgment, the learned Judge found that although the name 'Jambo' is in common parlance, combined with 'JamboPay', it was unique and the first party to protect 'JamboPay' was the respondent. The learned Judge also found that there was a degree of similarity between the appellant's logo and that of the respondent such as to suggest that the two were associated.
  6. Further, that given the industry and the fact that the product was intended to increase the speed of transactions, the name 'JamboPay with Express' suggested that it was an improvement belonging to the initial trade mark of 'JamboPay'. She therefore found that the appellant and Arif Manji were in breach of the respondent's trade mark, and that the Registrar of companies did not have the power or authority to licence the use of what was in fact, private property.
  7. In addition, the learned Judge made a finding that Arif Manji, being an experienced businessman, ought to have known that the information that was being shared during the course of negotiations with the respondent was confidential information, intended to remain so, until there was a concluded contract; that having been given access to the respondent's systems, the appellant created systems by reverse engineering of the payment platform of the respondent and poaching of the respondent's employees. The learned Judge ruled that Arif Manji was in breach of confidentiality, that the business conducted by the appellant amounted to unjust enrichment; and that the complaint of passing off had been established. The learned Judge did not however, find sufficient evidence in regard to damages such as to enable her assess any loss or damage suffered by the respondent. She therefore granted orders restraining the appellant, its servants, agents or howsoever, from infringing the respondent's trade mark by using the name 'JamboPay' in any format, not limited to a website, within 28 days, and further directed the Registrar of Companies to de- register the name of 'JamboPay Express' within 60 days.
  8. Aggrieved by that judgment, the appellant has filed this appeal, raising 13 grounds that are set out in its memorandum of appeal. Briefly, the appellant faults the judgment contending that: the respondent failed to plead or adduce evidence in support of its assertion that the appellant had passed off its trade mark and/or infringed on its trade mark 'JamboPay'; that the respondent failed to demonstrate



any deceptive similarity between its registered trade mark and the registered name of the appellant, or any misrepresentation or proof that it had exclusive use of the tradename ‘JamboPay’; that the learned Judge failed to consider the effect of disclaimer issued under section 17 of the *Trade marks Act*, or to consider trade usage as required under Section 49 of the *Trade marks Act*; that the learned Judge considered irrelevant matters and failed to consider relevant evidence; that there was no evidence adduced to justify the granting of injunctive orders; and that the learned Judge failed to appreciate that the respondent was ‘Webtribe Limited’ and not ‘JamboPay’.

9. Each party filed written submissions which were duly highlighted during the hearing of the appeal. In its submissions, the appellant raised 8 issues, which we have grouped into 4 issues as follows; whether the allegations of passing off and infringement of the trade mark ‘JamboPay’ were proven; whether the respondent met the required threshold for granting an injunction; whether the learned Judge considered relevant or irrelevant matters in reaching the impugned decision; and whether deregistration of the appellant was justified.
10. The appellant submitted that its name ‘JamboPay Express Limited’ in no way infringes on the respondent’s trade mark ‘JamboPay plus device’; that the trade mark protected as per the Certificate of Registration is not ‘JamboPay’; that the appellant has not in any way infringed on the respondent’s trade mark as it does not offer any service with the word ‘JamboPay’; that the respondent failed to demonstrate that there was confusion on the origin and provider of the services arising from the name ‘JamboPay Express Limited’ that could be directly associated with its mark; that there was no evidence from third parties or customers in proof of the alleged confusion; and that the respondent did not demonstrate that its system was identical with that of the appellant.
11. In addition, the appellant argued that the respondent admitted before the court that the services it provided as well as the services provided by the appellant, were not exclusive, but were also provided by other companies; that the platforms designed by the two companies were different in design and image, with the respondent using ‘JamboPay’, and the appellant using ‘Umojapay’; and that the respondent did not adduce any evidence that could justify the granting of the injunctive orders.
12. The appellant faulted the learned Judge for failing to consider the disclaimer under section 17 of the *Trade Marks Act*, contained in the Certificate of Registration of the trade mark, stating that the registration of the trade mark shall give no rights to the exclusive use of the words ‘jambo’ and ‘pay’ separately, and apart from the mark as a whole; and that the word ‘Jambopay Express Limited’ was not confusingly and phonetically similar to the mark ‘Jambopay’ operated by the respondent.
13. The appellant submitted that the learned Judge failed to appreciate: that other third parties, just like the appellant, have been using the word ‘JamboPay’; that JamboPay express limited is not a trade mark but a company duly registered under the provisions of the Company’s Act Chapter 486; that the company was incorporated with the knowledge and consent of the respondent, and therefore the respondent acquiesced to the use of the name as contemplated under Section 36 B(1) of the Act, and cannot sustain a claim of trade mark infringement; and that the order to de-register the appellant was drastic and in total disregard of the evidence on record particularly that the proper company registration process was undertaken under the Company’s Act, and no evidence was tendered by the respondent to warrant the draconian move of de-registration.
14. In addition, the appellant argued that the respondent failed to prove that there was a trade mark infringement, and therefore there was no prima facie case established to warrant the granting of the injunction. The appellant reiterated that it had not infringed any trade mark and consequently, no damages were payable; that the learned Judge failed to adjudicate upon issues that were raised in the appellant’s pleadings, evidence and submissions; that the decision arrived at was contrary to the



- evidence; that the learned Judge considered irrelevant matters in arriving at her decision, including the alleged breach of confidentiality; that there was no confidentiality agreement or non-disclosure agreement between the parties; and that the learned Judge failed to appreciate that the plaintiff in the suit before her was ‘Webtribe Limited’ and not ‘JamboPay’.
15. On its part, the respondent identified 5 issues for determination which were along similar lines as the issues identified by the appellant. These were: whether the trial court erred in ordering deregistration of the appellant; whether the respondent was entitled to the costs of the suit; whether the trial court considered the principles of injunction before issuing the restraining order against the appellant; and whether the appellant has made a case to warrant this Court interfering with the trial court’s decision and allowing the appeal.
  16. The respondent submitted that it demonstrated during the trial, that the name ‘JamboPay’ was so notoriously popular and publicized in Kenya, as to make it familiar to every Kenyan including the directors of the appellant; and that the registration of ‘JamboPay Express’, a name that matches the respondent’s trade name, was opportunistic and offensive of business practices and the law.
  17. The respondent cited *Auto Rescue vs Auto Rescue Limited* [2008] eKLR, for the proposition that the law guards against double registration of two companies with similar or identical names, with the purpose of protecting the first registered company and members of the public against confusion and contradiction. That this was the case herein regarding the use of the respondent’s registered trade mark ‘JamboPay’ and the appellant ‘JamboPay Express Limited’. The respondent pointed out that it is the one who first reserved and registered the trade mark ‘JamboPay’, and therefore deserved protection under section 15 of the *Trade Marks Act*; that the trial court having had the opportunity to listen to and assess the demeanour of the witnesses who testified, and analyzed the evidence produced before it, arrived at a just conclusion that the registration of the appellant was a breach of the respondent’s trade mark, and the court was therefore right in ordering the de-registration of the appellant’s name.
  14. As regards the injunction, the respondent submitted that the principles enunciated in *Giella vs Cassman Brown & Co. Limited* [1972] EA 358, were satisfied as it was proved that the trade mark was registered for the exclusive use of the respondent, who suffered losses as a result of the appellant’s mischief. The respondent urged that there was no justification for this Court to interfere with the exercise of the trial court’s discretion, as the learned Judge did not misdirect herself on the law or misapprehend the facts, or take into account irrelevant matters, or failed to take into account relevant matters.
  14. Finally, the respondent urged that the appellant had come to this Court with unclean hands, and should therefore be denied the right to be heard on the merits of the appeal, as it has been infringing the trade mark ‘JamboPay’ and continues to use it. The respondent urged that the appeal be dismissed.
  15. We have considered the record of appeal and analyzed the evidence that was adduced before the trial court, as well as the submissions and the authorities cited before us. This being a first appeal, this Court has a duty set out in Rule 29 of the *Court of Appeal Rules* to re-appraise the evidence and draw its own conclusions. This duty has been well articulated in many decisions of this Court. In *Gitobu Imanyara & 2 others v Attorney General* [2016] eKLR, the Court stated that:

“An appeal to this Court from a trial by the High Court is by way of retrial and the principles upon which this Court acts in such an appeal are well settled. Briefly put, they are that this court must reconsider the evidence, evaluate it itself and draw its own conclusions though it should always bear in mind that it has neither seen nor heard the witnesses and should make due allowances in this respect”.



14. From our analysis and consideration of the evidence and the submissions made before us, the following issues emerge for determination:
  - i. Whether the respondent was the proprietor of the registered trade mark “JamboPay”;
  - ii. Whether the trial judge properly considered the evidence and the law in finding the appellant’s mark/name “JamboPay Express” to be so similar to the respondent’s trade mark, as to cause a likelihood of confusion and an infringement of the respondent’s trade mark;
  - iii. Whether the principles for granting of an injunction were satisfied as to justify the order of injunction being issued against the appellant;
  - iv. Whether the order for deregistration of the appellant was proper;
  - v. Whether the respondent was entitled to the costs of the suit;
  - vi. Whether the Court should interfere with the judgment of the trial Court.
14. It is not in contention that the respondent is the proprietor of a registered trade mark. What was in dispute was the trade mark registered. The record has copies of the certificate of registration of the trade mark which shows that the registration of the mark took effect on 17<sup>th</sup> December, 2009 and was to expire after 10 years, on 17<sup>th</sup> December 2019. We note with great concern that the mark itself has been poorly photocopied on the pages on which it appears on the record of appeal. Surprisingly, the letters that come before the word ‘Pay’ is invisible on all the pages. We are inclined to believe that this was by design, as every other detail on the photocopied certificate is crystal clear.
14. Be that as it may, we must address the question whether the trade mark was ‘JamboPay’ as contended by the respondent, or ‘JamboPay plus device’ as contended by the appellant. Our examination of the record reveals that the certificate at page 245 of the said record, gives insight as to what letters, if any, came before the word ‘Pay’. A look at other documents on record, such as the email at page 81 and newspaper cutting at page 178 of the record of appeal, reveal that the letters preceding the word ‘Pay’ on the mark used by the respondent in its documents, spell out the word ‘Jambo’, with three dots positioned on top of letter ‘j’ in a triangular pattern. Two of those dots are visible on the certificate at page 245 and the spacing between those dots and the word pay, can only be construed to fit the word ‘Jambo’, in relevance to this matter. As such, we conclude that the said certificate was for registration of trade mark ‘JamboPay’. On the other hand, we are unable to find anything in support of the appellant’s allegation that the respondent’s trade mark was ‘JamboPay with a device’.
14. A perusal of the appellant’s certificate of registration under the Company Act, that is available in the record of appeal, shows the registered name of the company as ‘Jambopay Express Limited’ and the registration date as 11<sup>th</sup> October 2012. This was more than two years after the registration of the respondent’s trade mark ‘JamboPay’. A further perusal of the record shows that the respondent had been using the word ‘JamboPay’ extensively and publicly. Thus, the respondent was not only the proprietor of the registered trade mark ‘JamboPay’ but had also been publicly using it, long before the appellant proceeded to register its company. The negotiations between the respondent and Asif Manji reveal that the name JamboPay Express was to be used for registration of a subsidiary company of the respondent in furtherance of the respondent’s business. Therefore, in adopting the name, the appellant and its director Manji, could not claim ignorance or lack of knowledge of the respondent’s use of the name ‘JamboPay’.
15. With regard to the issue whether there was confusion in the use of the respondent’s trade mark arising from the appellant’s name ‘JamboPay Express Limited’ and the business undertaken by the



appellant, we refer to *Aktiebolaget Jonkoping – Vukan Indstricksfa – Briksaktiebolag v. East Africa Match Company Ltd* [1964] E.A. 62, where Sir Udo Udoma C.J. stated:-

“It is for the plaintiff company to prove that there is a resemblance between the two marks, and that such resemblance is deceptive. It is also well-established principle of law that it is the duty of the judge to decide whether the trade mark complained of does so nearly resemble the registered trade mark as to be likely to deceive or cause confusion in the minds of the public. From that duty the judge cannot abdicate. That was the principle enunciated by Lord MACNAGHTEN in the House of Lords in *Payton & Co. Ltd. v. Snelling Lampard & Co., Ltd.* (2) when he said ([1901] A.C. at p. 311):

“I think as I have said before that a great deal of the evidence is absolutely irrelevant and I do not myself altogether approve of the way in which the questions were put to the witnesses. They were put in the form of leading questions; and the witnesses were asked whether a person going into a shop as a customer would be likely to be deceived and they said they thought he would. But that is not a matter for the witnesses; it is for the judge. The judge, looking at the exhibits before him and also paying attention to the evidence adduced, must not surrender his own independent judgment to any witness.’

The same principle was reaffirmed by Lord Denning in *Parker Knoll Ltd., v. Knoll International Ltd.* (3), when he observed as follows:-

“...No witness is entitled to say that the offending mark so nearly resembles the registered mark as to be likely to deceive and cause confusion for that is the very question that the judge had to decide. It is a question on which the judge has to bring his own mind to bear and which he has to decide himself.”

14. It is trite law that the burden was on the respondent who was alleging infringement of its trade mark, to establish that fact. In this regard, the learned Judge having considered the evidence and the demeanour of the witnesses, stated as follows:

“On the question of breach of trade mark, there is one question to be asked and it is; is the name ‘JamboPay Express’ sufficiently similar to the plaintiff’s trade mark as to amount to breach of trade mark. The answer to that must be yes. It is correct that the word ‘Jambo’ is in common parlance and therefore may not of itself be preserved in a business name or company name, but the combination of the two makes it unique. It was unique and the first party to protect its use as such was the plaintiff. Then we look at the way it is set out in the defendant’s logos and again there is a degree of similarity which would suggest to anyone who was not closely involved, that the two were associated if not one and the same. Again, given that the industry and product was intended to increase the speed of transactions, the name ‘JamboPay’ with ‘Express’ could suggest that it was an improved addition belonging to the same brand. That brand had been the subject of a trade mark. A trade mark is breached by reproducing a copy that is the same or substantially the same. The defendant’s name is substantially the same. In the circumstances, the defendant and Mr. Manji are in breach of the trade mark.”

14. We cannot fault the learned Judge. She had the benefit of examining the original documents and seeing the demeanour of the witnesses who testified before her, and was impressed by the respondent’s witness (Mr. Muchemi), whom in her view demonstrated his belief and zeal for the format he said was his



creation; and the appellant's witness (Mr. Manji), whom in her view was evasive and guarded. We find that given the evidence before the learned Judge, the trade mark and the fact that the appellant's director had entered into negotiations for purposes of a share purchase agreement and formation of 'JamboPay Express Limited' as a subsidiary of the respondent, we are in agreement with the learned Judge and find that she considered all relevant matters in arriving at the finding that the appellant's name 'JamboPay Express' was so similar to the respondent's trade mark 'JamboPay' as to cause a likelihood of confusion. It was an infringement of the respondent's trade mark as the similarity was deliberately created with a view to the appellant benefiting from the respondent's trade mark.

15. The respondent sought an order of injunction, and the learned Judge properly addressed her mind to the law by referring to the locus classicus, *Giella vs Cassman Brown* (supra) which requires that a prima facie case be established before an injunction can issue. In *Mrao Limited vs First American Bank of Kenya Ltd and 2 others* [2003] eKLR, Bosire JA unpacked a prima facie case thus:

“I would say that in civil cases it is a case in which on the material presented to the Court a tribunal properly directing itself will conclude that there exists a right which has apparently been infringed by the opposite party as to call for an explanation or rebuttal from the latter.”

14. The respondent having established the confusion arising from the similarity between the appellant's name and its trade mark, and the ensuing infringement of its trade mark, there was evidence showing breach of its rights that required intervention, and this was sufficient to create a prima facie case. The learned Judge therefore properly exercised her discretion in granting the order of injunction.
15. Given the similarity in the name of the appellant and the respondent's trade mark, the learned Judge was under a duty to protect the respondent and also balance the rights of the two parties. In this regard, an order of deregistration was the only solution that could put a stop to the continued infringement of the respondent's trade mark. The appellant's directors had an option of registering its company under a different name that was not infringing on the respondent's trade mark.
14. On the award of costs, the appellant took issue with the description of the respondent as 'Webtribe Limited t/a Jambopay' arguing that the plaintiff in the suit was not 'JamboPay'. It is not in dispute that the entity that filed the suit was 'Webtribe Limited'. This fact was not changed by the fact that it described itself as trading as 'JamboPay'. Nor is it in dispute that 'Webtribe Limited' is the one that was awarded costs of the suit. The fact that 'Webtribe Limited' was trading as 'JamboPay' was relevant to the extent that it related to the trade mark in dispute. That notwithstanding, 'Webtribe Limited' remained the entity that bore the capacity to sue on behalf of the respondent, being a limited liability company.
15. In *Farah Awad Gullet v CMC Motors Group Limited* [2018] eKLR that was cited by the respondent, this Court stated that:-

“The position in law is that costs are at the discretion of the court seized of the matter with the usual caveat being that such a discretion should be exercised judiciously, meaning without caprice or whim and on sound reasoning. (See *Githiaka vs Nduriri* [2004] 2 KLR 67). Secondly, that a court can only withhold costs either partially or wholly from a successful party for good reasons to be shown.”

14. Needless to state that the learned Judge had discretion to award costs, and in accordance with Section 27 of the *Civil Procedure Act*, costs will always tilt in favour of the successful party in the proceedings unless there is good reasons for ordering otherwise. The respondent having been successful in the suit, the learned Judge properly exercised her discretion in awarding costs in its favour.



15. For the above reasons, we find no merit in this appeal. It is accordingly dismissed with costs.

**DATED AND DELIVERED AT NAIROBI THIS 27<sup>TH</sup> DAY OF MAY, 2022.**

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

*Signed*

**DEPUTY REGISTRAR**

**WANJIRU KARANJA**

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**JUDGE OF APPEAL**

**HANNAH OKWENGU**

.....

**JUDGE OF APPEAL**

**S. ole KANTAI**

.....

**JUDGE OF APPEAL**

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

*Signed*

**DEPUTY REGISTRAR**

