

REPUBLIC OF SOUTH AFRICA



**IN THE HIGH COURT OF SOUTH AFRICA
GAUTENG LOCAL DIVISION, JOHANNESBURG**

CASE NO: 22/23988

- (1) REPORTABLE: NO
(2) OF INTEREST TO OTHER JUDGES: NO
(3) REVISED. NO

[Redacted Signature]

SIGNATURE

DATE 4 August 2023

In the matter between:

A&D SPITZ (PTY) LTD

Applicant

and

**BLESSED MIRACLE WHOLESALERS
AND RETAILERS CC**

First Respondent

SAMUEL MEKONEN HAMZA

Second Respondent

MINISTER OF POLICE

Third Respondent

JUDGMENT

MAHON AJ:

This judgment is handed down electronically by circulating it to the parties' representatives by email and by uploading on CaseLines.

- [1] The applicant is the proprietor in South Africa of various trade marks incorporating the mark “Carvela”. These trade marks have been registered in terms of the provisions of the Trade Marks Act 194 of 1993.
- [2] The applicant applies these trade marks to handcrafted Italian footwear which constitutes protected goods as contemplated in section 1 of the Counterfeit Goods Act 37 of 1997 (“the Counterfeit Goods Act”). The first respondent, a retailer or wholesaler of formal men’s apparel, including men’s shoes, is alleged to have been trading in counterfeit Carvela products at the direction of its sole member, the second respondent.
- [3] During the course of the proceedings, agreement was ultimately reached between the parties in regard to all aspects of a draft order which had been prepared, save insofar as the question of costs was concerned.
- [4] For this reason, it is not necessary for me to deal with the merits of the matter, save to the limited extent set out below. The reasons for the order which I will grant relate only to the question of costs.
- [5] In prayer 2 of the notice of motion, the applicant sought an order in terms of section 10(1)(d) of the Counterfeit Goods Act directing the respondents to provide certain information “... *which is within their knowledge or under their control ...*”.

- [6] This relief was resisted by the first and second respondents on the basis that they were not involved in the sale of the counterfeit Carvela products and, as such, were unable to provide the information which was sought which related primarily to the suppliers of the products.
- [7] At the commencement of the hearing, I questioned whether I could reject the first and second respondents' version that the information sought in prayer 2 of the notice of motion was not within their knowledge. The applicant's counsel, Mr South, indicated that the applicant would be satisfied with an order directing the respondents to provide the information sought, "*... insofar as it is within their personal knowledge or under their control*".
- [8] The first and second respondents' attorney, Mr Mohapi, indicated that the first and second respondents would be prepared to consent to such relief, in addition to the relief to which it had already consented.
- [9] After standing the matter down in order to afford the parties an opportunity to agree to the terms of a draft order, the Court was presented with a draft order in regard to which agreement had been reached between the parties in all respects, save insofar as the prayer for costs was concerned.
- [10] The draft order which had been prepared by the applicant which incorporated a prayer that the respondents pay the costs of the application, including the cost of two counsel where so employed, was uploaded to CaseLines at page 021-21.
- [11] Mr Mohapi, for the first and second respondents, confirmed that the first and second respondents consented to the draft order in all respects save insofar as the prayer for costs was concerned.

[12] The first and second respondents resisted the order for costs on two bases:

[12.1] Firstly, they argued that a tender had been made to consent to an order which, in effect, amounted to the same terms as the order which had now been agreed between the parties and that this tender had been made prior to the delivery of the respondents' answering affidavit. For this reason, so it was contended, the applicant should be entitled to its costs only on an unopposed basis;

[12.2] Secondly, it was contended that the matter did not warrant the employment of two counsel.

[13] In regard to the first ground, the first tender which was relied upon is that which is contained at annexure "SH2" to the answering affidavit. It is dated 29 July 2022, prior to the delivery of the answering affidavit and records the first and second respondents' consent to the relief initially sought by the applicant in certain respects and subject to certain proposed variations.

[14] However, the document does not include a tender to provide the information sought by the applicant, to the extent that such information may be within the first or second respondents' knowledge or control. Rather, it records the first and second respondents' version that they do not have any details of the information which is sought.

[15] A further tender was made on 18 August 2022 which, in substance, mirrored the tender which had been made on 29 July 2022 but which included an additional undertaking by the first and second respondents to endeavour to ascertain from their cell phone provider whether certain telephone numbers or

incoming private numbers could be traced and to request the second respondent's brother's cooperation to see if his brother could trace the relevant telephone numbers.

[16] Whilst both of the tenders demonstrate a willingness to cooperate, they do not amount to a consent to an order directing disclosure of such information which is within their knowledge or under their control. Had a more definitive undertaking been given together with a consent to an order, the further costs incurred in the matter would undoubtedly have been avoided. I am therefore satisfied that the applicant is entitled to its costs on an opposed basis.

[17] As for the contention that the matter did not warrant the cost of two counsel, I am satisfied that the nature of the matter, the complexity of the issues and the importance of the matter to the applicant, warranted the employment of two counsel.

[18] I accordingly grant the following order:

1. The first and second respondents ("the opposing respondents") are interdicted and restrained from, directly or indirectly as partner, representative, shareholder, director, employee, consultant, adviser, financier or agent (or any other like or similar manner or capacity) of or associated with any corporate entity or other association of persons, engaging in:

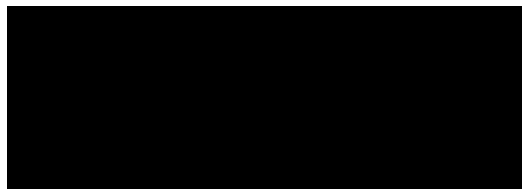
- 1.1. the importation, manufacture, production, distribution or sale of counterfeits of "the Carvela branded products" (described and

defined in paragraphs 20 to 22, as well as annexure FA7, of the founding affidavit of Vivien Crystal (“the founding affidavit”));

- 1.2. the use of a mark identical to “the Carvela trade marks” (described and defined in paragraphs 18 to 19 of the founding affidavit), or a mark so nearly resembling the Carvela trade marks as to be likely to deceive or cause confusion, in relation to goods in “class 25” (described more fully in paragraphs 18.1 to 18.6, and annexures FA1 to FA6, of the founding affidavit);
 - 1.3. the use of a mark identical to the Carvela trade marks, or a mark similar to the Carvela trade marks, in the course of trade in relation to goods which are so similar to the goods in class 25, that in such use there exists the likelihood of deception or confusion;
 - 1.4. the use of a mark identical to the Carvela trade marks, or a mark similar to the Carvela trade marks, in the course of trade in relation to any goods or services, where such use would be likely to take unfair advantage of, or be detrimental to, the distinctive character or repute of the Carvela trade marks.
2. The opposing respondents are directed, in terms of section 10(1)(d) of the Counterfeit Goods Act no. 37 of 1997 (“the Counterfeit Goods Act”), to provide the following information to the applicant in so far as it is within their personal knowledge or under their control:

- 2.1. full and accurate details of all sources or suppliers from which the counterfeit Carvela branded products emanate or were purchased, including:
 - 2.1.1. the name and registration number of the manufacturer and/or source and/or supplier of the counterfeit Carvela branded products;
 - 2.1.2. the names and contact numbers (telephone numbers and email addresses) of the employees, representatives, brokers or agents of the manufacturer and/or source and/or supplier of the counterfeit Carvela branded products with whom the Respondents have dealt with at any stage in the course of dealing in the counterfeit CARVELA branded products;
 - 2.1.3. any transaction documentation of any kind relating to the purchase or procurement or otherwise dealing in the counterfeit Carvela branded products.
3. Should the opposing respondents fail to disclose within 10 days of service of this order the information detailed in paragraphs 2 to 2.1.3 above, the applicant may apply to court, based on the contents of this affidavit, supplemented to the extent it deems necessary, for an order declaring the opposing respondents to be in contempt of court and for further relief in the form of a penalty and/or imprisonment.
4. In terms of section 10(1)(a) of the Counterfeit Goods Act:

- 4.1. The opposing respondents are directed to deliver-up at the premises of the applicant or its legal representatives, Adams & Adams, any counterfeit CARVELA branded products which are currently in their possession or under their control;
 - 4.2. The applicant is authorised to take into its possession the counterfeit Carvela branded products seized by the SAPS on the 8th of June 2022 at the opposing respondents' business premises situated at no. 86 Delvers Street, Corner Jeppe Street, Johannesburg.
5. The opposing respondents are ordered to pay the costs of this application, which costs shall include the costs of two counsel where so employed.



D MAHON

Acting Judge of the High Court
Johannesburg

This judgment was handed down electronically by circulation to the parties' legal representatives by email and by being uploaded to CaseLines. The date and time for hand down is deemed to be 30 May 2023.

APPEARANCES:

For the Applicant:

Adv AG South SC

Adv CW Pretorius

Instructed by:

Adams & Adams

For the First and Second Respondents:

Mr T Mohapi

Instructed by:

Hugh Raichlin Attorneys

Date of hearing: 4 August 2023

Date of judgment: 4 August 2023