



IN THE HIGH COURT OF SOUTH AFRICA

GAUTENG DIVISION, PRETORIA

DELETE WHICHEVER IS NOT APPLICABLE

(1) REPORTABLE: YES / NO.

(2) OF INTEREST TO OTHER JUDGES: YES / NO.

(3) REVISED.

15/12/16

DATE

SIGNATURE

CASE NO: A227/2015

In the matter between:

DINNERMATES (TVL) CC

Appellant

And

**PIQUANTE BRANDS
INTERNATIONAL (PTY) LTD**

First Respondent

PEPPADEW INTERNATIONAL (PTY) LTD

Second Respondent

QUORUM: MOLOPA-SETHOSA J; MOTHLE AND HUGHES JJ.

DATE OF HEARING: 31 AUGUST 2016

DATE OF JUDGMENT: 15/12/16

JUDGMENT

MOTHLE J

Introduction

1. On 13 October 2014 Madam Justice Tlhapi ("*Tlhapi J*") sitting in the High Court Gauteng Division, Pretoria, delivered a judgment in which she upheld the Respondents' opposition to the Appellant's trademark applications number 2010/09721-3 PEPPAMATE and device in classes 29, 30, and 31 ("the trademark applications").
2. The Appellant now appeals to the Full Court of the Gauteng Division, Pretoria against the judgment and orders of Tlhapi J.

Background

3. The following is a summary background to the issues leading to this appeal, namely that:
 - 3.1 The Appellant applied for registration of a trade mark, known as PEPPAMATE and a device, in a form of a side view picture

or drawing depicting a single rounded pepper with a stalk, for goods in classes 29, 30 and 31, which application was lodged with the Registrar of Trade Marks. The Respondents, who have registered the mark PEPPADEW also with a device in a form of a side view picture or drawing depicting a single rounded pepper with a stalk, filed a notice of opposition to the application for registration, based on the provisions of **Section 10 (13), 10 (14) and 10(17) of the Trade Marks Act, 194 of 1993 (“the Act”)**.

- 3.2 The Registrar transferred the matter to the High Court, Gauteng Division, Pretoria (*“the Court a quo”*), which came before Tlhapi J.
- 3.3 The Respondents in their affidavit abandoned reliance on Section 10(13). Further, Tlhapi J rejected Respondent’s opposition to the registration based on Section 10 (17), on the ground that the Respondent failed to make out a case in the founding papers for supporting the objection in terms of that subsection.
- 3.4 The Appellant had informed the Court a quo as to how it intended to use the trademark once it is registered. In this regard, the Court a quo in paragraph 5 of the Judgment,

records the Appellant's intended use as expressed by its sole Member, Mr R V Rauch, thus:

"[5] His interest in the small sweet peppers commenced when he realised that there was a "considerable market and demand" for the product, "such as those made and sold by Opponents" in the manufacturing and wholesale food trade."

3.5 Tlhapi J, upheld the opposition to the registration of the Appellant's trademark, based on Section 10 (14) of the Act. In that regard, the *court a quo* found in paragraph 17 of the judgment as follows:

"In this matter there are three aspects to look at, being the word PEPPA, the adoption of the single rounded pepper and stalk device and the goods and services for which the trademarks are registered against the goods and services applied for.

The difference in the words PEPPADEW and PEPPAMATE were in the -DEW and MATE. After removal of the DEW and MATE one is still left with the device in a comparison of the goods and services under registered trade mark in classes 29 and 30 and those in the application in classes 29, 30 and 31. In

determining the opposition in terms of section 10 (14) of the Act, I am of the view that the similarities do exist to such a degree that there was probability of confusion and deception arising in that the Opponent has made out a proper case."

The law

4. Section 10 (14) of the Trade Mark Act provides:

*"10. **Unregisterable trade marks.** – the following marks shall not be registered as trade marks or, if registered, shall, subject to the provisions of Sections 3 and 70, be liable to be removed from the register:...*

(14) subject to the provisions of Section 14, a mark which is identical to a registered trade mark belonging to a different proprietor or so similar thereto that the use thereof in relation to goods or services in respect of which it is sought to be registered and which are the same as or similar to the goods or services in respect of which such trade mark is registered, would be likely to deceive or cause confusion, unless the proprietor of such trade mark consents to the registration of such trade mark;"

5. Section 14 permits the Registrar, on application by a proprietor, to register a trade mark subject to such conditions and limitations, if any, as he may think fit to impose, a trade mark registration of which would otherwise offend the provisions of subsections (6), (14), (15) or (17) of Section 10. It is common cause that the Registrar did not apply the provisions of Section 14 of the Act.

The parties' trademarks

6. In this case, there are three distinctive features of similarity between the Appellant's trademark and the Respondents' registered trademark. These are:
- 6.1 The use of the word "**PEPPA**" as part of the mark;
- 6.2 The presence of a device, in a form of a side view picture or drawing depicting a single rounded pepper with a stalk; and
- 6.3 The goods to which the parties respective trademarks relate, which include trading in the various products of pepper.
7. There appears to be no dispute between the parties that the word "**PEPPA**", used in the context of both trademarks, denotes "pepper", which is described by the English dictionary¹ as "A

¹ Shorter Oxford English Dictionary on historical principles, fifth edition, Volume 2, Oxford Press 2002.

pungent condiment prepared from the whole or ground dried berries (peppercorn) of the plant "nigrum".

The parties' contentions

8. The Appellant contends the following:
 - 8.1 That the onus is on it to show that there is no reasonable probability of confusion or deception resulting from its use of the subject mark in respect of those goods for which registration is sought;
 - 8.2 That an opposition to the registration of a trade mark based on Section 10(14) requires a clinical comparison on two legs, namely:
 - 8.2.1 A comparison of the marks; and
 - 8.2.2 A comparison of the goods to which the respective marks relate as they appear on the register.
9. The Appellant further concedes that in the present case, the goods to which the parties' respective marks relate are identical and this comparison need not detain the Court any further. Consequently, Appellant submits, the issue before this Court becomes a narrow one focussing only on a comparison of the

marks in the context of trademark infringement in terms of section 34 (1) (a) of the Act.

Comparison of the trademarks

10. The legal principles and guidelines applied by the Courts² in conducting the comparison between trademarks find expression in this case. These include:
 - 10.1 The probability of confusion or deception amongst purchasers or potential purchasers of the relevant goods, or users of the relevant services;
 - 10.2 The likelihood of confusion must be appreciated globally or holistically. The average consumer perceives a mark as a whole and does not analyse its various details;
 - 10.3 The Court should transport itself, notionally, in the Court room to the market place and consider the marks, as they will be seen, if they are both in fair and commercial use as a hypothetical consumers of the goods concerned;

² Roodezandt Ko-operatiewe Wynmakery Ltd v Robertson Winery (Pty) Ltd and Another [2014] ZASCA 173 (19 November 2014); Distell Ltd v KZN Wines and Spirits CC [2016] ZASCA 18 (15 March 2016); Cowbell AG v ICS Holdings Limited 2001 (3) SA 941 (SCA) and Century City Apartments Property Services CVC and another v Century City Property Owners' Association 2010 (3) SA 1 (SCA).

- 10.4 The comparison between the competing marks should factor in the similarities and the differences in an assessment of the impact it would have on the average type of consumer;
- 10.5 Consideration of the main or dominant features of the marks in question as well as the general impression and the striking features, as they would likely impact on the mind of the consumer;
- 10.6 The possibility that the consumer may encounter goods therein one mark with an imperfect recollection of the other;
- 10.7 The consideration of the marks as a whole and the overall impression created by the marks.
11. In the recent appeal case of ***Yuppiechef Holdings (Pty) Ltd v Yuppie Gadgets Holdings (Pty) Ltd (1088/2015) 2016 ZASCA 118 (15 September 2016)***, (*“the Yuppiechef case”*),³ the Supreme Court of Appeal conducted a comparison of trademarks, similar to this case. In the Yuppiechef case the dispute is between two retail companies trading online. In April 2011, the company known and trading as Urban Gadgets

³ This judgment was delivered on 15 September 2016, after this Full Court had heard argument on 31 August 2016 in this matter. The Full Court was already aware of the judgment when Appellant filed a notice to draw the Full Court's attention thereto. Both parties have been invited to file supplementary heads, which they did.

decided to change its name to “Yuppie Gadgets”, selling a variety of decorative gadgets of novelty items. This change of name caused “Yuppiechef”, a registered trademark, to object to the registration of Yuppie Gadget as a mark on the grounds that it will confuse and likely deceive online customers.

12. The SCA, after considering the meaning of the word “Yuppie” as commonly used, conducted a comparison between the two trademarks with reference to other features. The appeal court held that there is no likelihood of confusion or deceit in the use of the trademarks. The Court then concluded that the marks are not similar within the meaning of s 34(1) (c), and thus dismissed the appeal.
13. In the supplementary heads of argument, the Appellant on the one hand contends in essence that the Respondent cannot claim that the mark “peppa” is an invented mark to which it can claim a monopoly. The Respondent on the other hand denies that it claimed invention or monopoly of the word “peppa”. It is further contended that unlike in the Yuppiechef case, the dispute in this case does not only concern the word “peppa”, but also the presence of a logo mark in both instances, a device, bearing no less than 3 common elements.

14. In paragraph [26] of that judgment, the SCA, in dealing with the trite approach in determining the likelihood of deception or confusion⁴, stated as follows:

“What is required is a value judgment on the question of the likelihood of deception or confusion based on a global appreciation of the two marks and the overall impression that they leave in the context of the underlying purpose of a trademark, which is that it is a badge of origin. The value judgment is largely a matter of first impression and there should not be undue peering at the two marks to find similarities and differences”.

15. In the judgment of the Court a quo, the learned Judge, with reference to the seminal judgment in ***Plascon-Evans Paints LTD v Van Riebeeck Paints (Pty) Ltd 1984 (3) SA 623 (A)***⁵, dealt with the approach adopted by the courts in determining whether there would be a probability of confusion and deception in the disputed trademarks. Guided by this approach, which was also followed and applied in the Yuppiefchef case, the Court a

⁴ See *Plascon-Evans Paints v Van Riebeeck Paints* infra.

⁵ This judgment was confirmed also in relation to trademarks, and applied over the years, including recently in *Orange Brand Services Ltd V Account Works Software (Pty) Ltd (970/12) [2013] ZASCA 158 (22 November 2013)*

quo⁶ conducted a comparison of the trademarks and concluded that there are sufficient similarities with the likelihood to deceive or confuse the consumer.

16. In analysing the comparison between “Yuppiechef” and “Yuppie Gadgets”⁷, the SCA opines that: *“While “yuppie” is common to both, “chef” and “gadgets” are incapable of being confused, either when seen or when spoken. The one consists of a single syllable, the other two. In addition the concepts conjured up by the words “chef” and “gadgets” are worlds apart.”* The Court concluded that the trademarks are incapable of being confused as visually and aurally the two marks are different.
17. In comparing the disputed trademarks *in casu*, the difference arise in that the one mark has the word “*dew*” attached to “*Peppa*” and the other has the word “*mates*” also attached to the word “*Peppa*”, each combined to produce “*Peppadew*” and “*Peppamates*” respectively. There is a further difference in the writing font in the marks with the word “*peppa*” appearing in cursive writing and below it “*mates*” appearing in print, while the

⁶ See paragraph 17 of the judgment of the High Court.


⁷ Paragraph [27] of the judgment.

word "peppadew" is in print, reading vertically from bottom to top.

18. However, both trademarks exhibit the following similarities:
- (1) the two trademarks in this case commence with the word "*Peppa*". In that respect they are the same.
 - (2) Aurally, the two trademarks are similar as both have a two-syllable compound name, "*peppadew*" and "*peppamate*";
 - (3) With each of the marks "*Peppadew*" and "*Peppamates*", is the presence of a device, in the form of a logo or drawing of a side view of a pepper with a stalk as part of each of the trademarks;
 - (4) Visually at least, the two marks thus display the same device depicting the same product of a specific kind of peppers which features in the classes of goods for both parties.
19. The inclusion of the device, in the form of a side view of a round pepper with a stalk as part of both trademarks, is the most visible feature common to both marks. It stands out strikingly as the main or dominant feature of the marks and is consistent with the condiment of pepper traded by both parties. It is, in my view, likely to impact on the mind of the consumer. Therefore the consumer's impression, struck by the common word "peppa" and

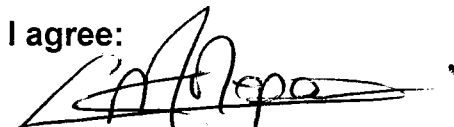
the presence of the device, looking at them as a whole in the market place is, in my view, likely to be deceived and confused.

20. Apart from other similarities and differences, the presence of the identical device in the marks distinguishes this case from the *Yuppiechef* case referred to above. Unlike in this case, in the *Yuppiechef* case there is no presence of a device with numerous common features to both trademarks.
21. I am thus of the view that in considering each of the marks as a whole, an overall impression will be created, which will result in a likelihood of confusion and deception within the meaning of section 10(14) read with section 34(1)(a) of the Act.
22. The Appellant has thus not made out a case that would justify this Court to interfere with the decision by the Court *a quo*. Under the circumstances, the appeal cannot succeed.
23. In the premises, I make the following order:
 1. The appeal is dismissed;
 2. The Appellant is ordered to pay the costs of the appeal.



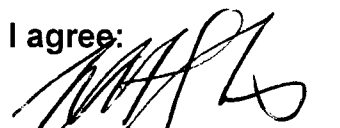
S P MOTHLE
Judge of the High Court
Gauteng Division
PRETORIA

I agree:



L M MOLOPA-SETHOSA
Judge of the High Court
Gauteng Division
PRETORIA

I agree:



W HUGHES
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