

**IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)**

Appeal Case No: A395/12

In the matter between:

28/2/2014


CIPLA MEDPRO (PTY) LTD

Appellant

and

SOCIÉTÉ DES PRODUITS NESTLÉ SA

Respondent

JUDGMENT	DELETE WHICHEVER IS NOT APPLICABLE	
	(1) REPORTABLE <input checked="" type="radio"/> YES <input type="radio"/> NO	
	(2) OF INTEREST TO OTHER JUDGES: <input checked="" type="radio"/> YES <input type="radio"/> NO	
	(3) REVISED: <input checked="" type="checkbox"/>	
FOURIE, J:	26/2/14	
	DATE	SIGNATURE

[1] This is an appeal against an order granted by Du Plessis J in an application in terms of section 53(1) of the Trade Marks Act No. 194 of 1993. In that application the respondent applied for an order setting aside an order granted by the Registrar of Trade Marks in favour of the appellant. The order of the Registrar directed the respondent to produce certain documents for the appellant's inspection in terms of Regulation 53(1) and to permit the appellant to make copies thereof.

[2] The order granted by the Court *a quo* and which is the subject matter of this appeal, reads as follows:

"1. The order of the Registrar of Trade Marks dated 28 February 2011, directing the applicant to produce

certain documents for inspection by the respondent, which is annexed hereto marked 'A', is set aside.

2. *The application made on 26 July 2010 by the respondent to the Registrar of Trade Marks in terms of Rule 35(12) is refused.*
3. *The respondent is directed to pay the costs of this application and of the aforesaid application before the Registrar of Trade Marks."*

BACKGROUND

[3] The respondent instituted trade mark opposition proceedings before the Registrar of Trade Marks in which it opposed the registration of the appellant's trade mark application No. 2007/15572 OPTIFAST in Class 5. It has been alleged that the respondent's founding affidavits made reference to certain documents and the appellant called upon the respondent to produce for inspection documents allegedly referred to in the affidavits. The respondent refused to produce the documentation and opposed the request primarily on the basis that the founding affidavits "*do not refer to any such documents*".

[4] The appellant instituted proceedings before the Registrar to compel the respondent to comply with the said notice. The application was opposed and argued before the Registrar who granted the following order:

"1. The Opponent is ordered to produce the following documents for the Applicant's inspection and to permit the Applicant to make copies thereof;

- a) all trade mark certificates relating to the trade mark registrations for the mark OPTIFAST;*
- b) the registration documentation for the domain name 'OPTIFAST.CO.ZA';*
- c) all contracts, agreements and written assignments effecting the transfer of the OPTIFAST business and related trade marks from Novartis to the Opponent and/or the Nestlé Group – only insofar as said contracts, agreements and written assignments relate to the trade mark registrations in (a) hereabove; and*

2. Costs are awarded to the Applicant."

[5] The respondent then instituted motion proceedings in this Division to set aside the Registrar's order. It relied upon section 53(1) of the Trade Marks Act No. 194 of 1993 as the jurisdictional foundation for the relief sought in the High Court. The Court *a quo* concluded that there were no grounds for the Registrar's order and granted an order against the appellant as more fully referred to above.

[6] The appeal is founded broadly upon two grounds: the first is that the section 53(1) application was procedurally irregular. The second is that, on the merits of the application, the Registrar's order was correctly

given. I shall first deal with the procedural issue and thereafter, if necessary, also with the merits of the application.

THE PROCEDURAL ISSUE

[7] Section 53(1) and (2) of the Trade Marks Act read as follows:

"(1) Without derogating from the provisions of subsection (2), any person aggrieved by any decision or order of the registrar may, within a period of three months after the date of any such decision or order, apply to the Transvaal Provincial Division of the Supreme Court for relief, and the said court shall have the power to consider the merits of any such matter, to receive further evidence, and to make any order as it may deem fit.

(2) Any party to any opposed proceedings before the registrar may appeal to the Transvaal Provincial Division of the Supreme Court against any decision or order pursuant to such proceedings."

Subsections (3) and (4) contain provisions in relation to such appeal, whereas subsection (5) provides that the parties to proceedings before the Registrar shall be deemed to be parties to civil proceedings for the purposes of the Supreme Court Act. Subsection (6) contains provisions with regard to every appeal to the Supreme Court of Appeal by virtue of subsection (5).

[8] The argument presented on behalf of the appellant can be summarised as follows: Section 53(1) was not intended to provide for an appeal against a judicial decision arising out of opposed proceedings adjudicated upon by the Registrar. Nor was the section intended to afford a party to judicial proceedings a rehearing of the original application in another forum of equal status. The subsection provides for the rehearing of the Registrar's administrative decisions as distinct from opposed, judicial proceedings. The application by the respondent was nothing other than an appeal, in the narrow sense, against the Registrar's order. A single Judge of the High Court has no jurisdiction to entertain an application which has as its purpose the overturning of an order granted in opposed proceedings by the Registrar who has the powers and jurisdiction of a High Court Judge. Furthermore, our law does not permit appeals against interlocutory orders and the respondent's application was, to all intents and purposes, an appeal against the Registrar's order clothed as a section 53(1) application. Therefore, it was argued, the application in the Court *a quo* ought to have been dismissed with costs.

[9] It has been contended on behalf of the respondent that section 53 of the Act affords two options to a person aggrieved by a decision of the Registrar, namely an application to the High Court in terms of subsection (1) and, where an appeal is warranted, an appeal to the Full Bench of this Division in terms of subsection (2). It was also pointed out that the words "*(w)ithout derogating from the provisions of subsection (2)*" would not make any sense if the Legislature had intended parties to the

proceedings to be excluded from being able to rely on the provisions of subsection (1) of the Act. It was also submitted that the words “any person” were not intended to exclude the parties to the proceedings and if this was the intention, this would have been expressly stated.

[10] The Court *a quo* came to the conclusion that it has the power under section 53(1) of the Act to entertain an application of this nature. In coming to this conclusion Du Plessis J said the following:

“There is in my view no ground for limiting the plain meaning of ‘any person’ to ‘any person other than a party mentioned in subsection (2)’. The Act gives to the Registrar many powers to make administrative and judicial decisions or orders. Some of those are appealable under section 53(2) and some are reviewable under section 57. There are, however, decisions and orders that cannot be dealt with under section 53(2) or section 57. It is those decisions that are subject to applications to the High Court under section 53(1).”

[11] Unfortunately, I can not agree with this conclusion. To understand the meaning of (and difference between) section 53(1) and (2) one has to look at both the context and the contents thereof. What is the purpose of section 53(1) in view of the provisions contained in subsection (2)?

[12] As far as context is concerned, it appears, broadly speaking, that the powers and duties of the Registrar in terms of the Trade Marks Act can be divided into two categories, namely administrative and judicial functions. For instance, in terms of section 22 the register of Trade Marks

is controlled by the Registrar and in terms of section 23(1), the Registrar may correct any error in the register made by an official in his office. These functions appear to be of an administrative nature. On the other hand, section 45 sets out the general powers of the Registrar. It appears that these powers relate more specifically to *“any proceedings before him”*. Subsection (1) specifically provides that with regard to these proceedings, the Registrar shall have all such powers and jurisdiction as are possessed by a single Judge in a civil action. These are judicial powers.

[13] The word *“proceedings”* is not defined in the Act, but section 45(2) provides that where no provision is contained in this Act on any matter of procedure, the Registrar shall apply the rules governing procedure in this Division of the Supreme Court. Furthermore, it also appears that the words *“any proceedings”* should be interpreted to mean opposed and unopposed proceedings. It is in this context that the contents of section 53(1) and (2) are to be considered.

[14] Section 53(1) refers to *“any person aggrieved by any decision or order of the Registrar”*, whereas subsection (2) refers to *“any party to any opposed proceedings before the Registrar”*. It therefore appears that the Legislature intended to distinguish between opposed and unopposed proceedings or, to put it more precisely, between any decision or order pursuant to opposed proceedings on the one hand and any other decision or order, whether of an administrative or judicial nature, on the other hand. This interpretation is supported by the fact that subsection (1) refers to

“any person aggrieved”, i.e. not necessarily a party to any proceedings, whereas subsection (2) specifically refers to any party to any opposed proceedings. Furthermore, the procedure envisaged by subsection (1) is that of an application (*“apply”*), whereas subsection (2), read with subsections (3), (4) and (5), makes provision for appeal procedure. For reasons to follow it is not necessary to decide whether this appeal procedure refers to an appeal in the wide sense or in the ordinary sense (cf. Tikly & Others v Johannes, N.O. & Others 1963 (2) SA 588 (T) at 590F and the authorities referred to), or to express any view with regard to (possible) appeals against interlocutory orders in terms of the Trade Marks Act or not.

[15] Furthermore, the words *“(w)ithout derogating from the provisions of subsection (2)”* as they appear in section 53(1) usually indicate an intention not to lessen the effect of another provision. In this instance it appears that subsection (1) is a general provision, whereas subsection (2) is the special provision. This expression therefore indicates that the general provision is not intended to lessen the weight to be given to the special provision. The general maxim is *generalia specialibus non derogant* which requires that greater weight should be given to special provisions than to general provisions. Or, to put it differently, the general must yield to the special. This is in accordance with the dictum referred to in R v Gwantshu 1931 EDL 29 at 31:

“ ‘When the Legislature has given attention to a separate subject and makes provision for it the presumption is that a

subsequent general enactment is not intended to interfere with the special provision, unless it manifests that intention very clearly' ... In such cases it is presumed to have only general cases in view and not particular cases which have been already otherwise provided for by the special Act."

(See also in this regard: Mngomezulu & Others v Soweto City Council 1989 (2) SA 331 (A) at 341 E -H.)

[16] When these principles are applied to the provisions of section 53(1) and (2) it appears that the Legislature has specifically made provision that the general provision is not intended to interfere with the special provision and therefore subsection (1) should yield to subsection (2). In other words, it is presumed that subsection (1) should only have general cases in view and not also particular cases which have been provided for in subsection (2). It would therefore be a mistake to include in the general provision a part of the special provision by accepting that "*any person*" as referred to in subsection (1) should include "*any party*" referred to in subsection (2). Consequently, a party to any opposed proceedings before the Registrar may not make use of the procedure provided for in subsection (1). That procedure is not intended to be available to a person who is a party to opposed proceedings before the Registrar. For such a person subsection (2) has been enacted.

[17] This brings me to the appeal before us. Both the appellant and the respondent are parties, not only to pending opposed proceedings (the main proceedings), but they have also been parties to opposed

proceedings in terms of the Regulation 53(1) application. If the interpretation referred to above is applied to these proceedings, then I have to find that the Court *a quo* came to an incorrect conclusion. In my view the respondent was not entitled to rely upon the provisions of section 53(1) of the Trade Marks Act No. 194 of 1993. In view of this conclusion it is not necessary to consider the merits of the application.

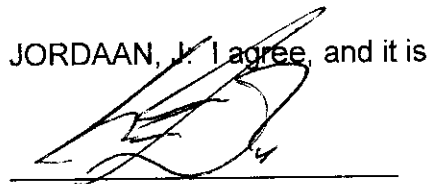
[18] In the result I propose the following order:

- (a) The appeal is upheld with costs.
- (b) The order of the Court *a quo* is set aside and replaced with:

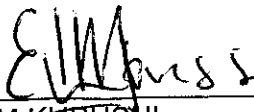
"The application is dismissed with costs."


D S FOURIE
JUDGE OF THE HIGH COURT

JORDAAN, J: I agree, and it is so ordered.


E JORDAAN
JUDGE OF THE HIGH COURT

KUBUSHI, J: I agree.


E.M. KUBUSHI
JUDGE OF THE HIGH COURT

Date: 24 February 2014

CASE A395/2012

FOR THE APPELLANT: ADV MARK SEALE
INSTRUCTED BY: BRIAN BACON INC, PRETORIA
FOR THE RESPONDENT: ADV L G MARTIN
INSTRUCTED BY: ADAMS & ADAMS, PRETORIA