

IN THE HIGH COURT OF SOUTH AFRICA

(GAUTENG DIVISION, PRETORIA)

13/5/14

CASE NO: 39873/2013

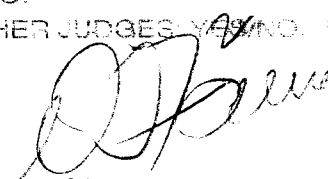
In the matter between:

JOEL BROWN

Applicant

and

EDCON LTD

DEFUTE/WHICH/EVER IS NOT APPLICABLE	
(1) REPORTABLE: YES/NO.	YES
(2) OF INTEREST TO OTHER JUDGES: YES/NO.	YES
(3) REVISED	✓
12/5/14	
DATE	SIGNATURE

Opponent

JUDGMENT

FOURIE, J:

- [1] The Applicant is a businessman residing in the United Kingdom. He is the trade mark Applicant for application 2010/09603-4 STONE-DRI in classes 18 and 25. He is also the owner of Baker Street Clothing Ltd, a company duly incorporated under the laws of the United Kingdom. The opponent is Edcon (Pty) Ltd, a South African company and a leading clothing, footwear and textiles retailing group trading through a range of retail formats. The Opponent is opposing the Applicant's application for the registration of the abovementioned trade mark.

- [2] The Opponent is the proprietor in South Africa of trade mark registration no. 1997/18423 STONE HARBOUR in class 25 in respect of clothing, footwear and headgear which was registered on 1 December 1997. According to the Opponent it has acquired a significant goodwill and reputation in the mark STONE HARBOUR in South Africa in respect of goods falling within the scope of those goods to which the subject trade mark application relates.
- [3] The opposition is based on Sections 10(12) and (14) of the Trade Marks Act, 194 of 1993. This opposition has been referred to this court by the Registrar of Trade Marks in terms of Section 59(2) of the Act.
- [4] Section 10 provides that certain marks (referred to in the sub-sections) shall not be registered as trade marks. In terms of sub-section (12) that is:

"A mark which is inherently deceptive or the use of which would be likely to deceive or cause confusion, be contrary to law, be contra bonos mores, or be likely to give offence to any class of persons;"

According to sub-section (14) such a mark is also:

"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 mark;"

[5] The grounds of opposition brought under both Sections 10(12) and (14) turns on the same question: Whether or not the mark that the Applicant seeks to register is so similar to the Opponent's registered trade mark that the use thereof, in relation to the goods in respect of which it is sought to be registered, would be likely to deceive or cause confusion.

[6] The test to be applied was set out by the Supreme Court of Appeal in **Cowbell AG v ICS Holdings Ltd** 2001(3) SA 941 (SCA) at par. 10 (with regard to Section 17(1) of the old Trade Marks Act of 1963 which was similarly worded to Section 10(14) of the present Act):

"[t]he ultimate test is, after all, as I have already indicated, whether on a comparison of the two marks it can properly be said that there is a reasonable likelihood of confusion if both

are to be used together in a normal and fair manner, in the ordinary course of business."

(par. 10 at p. 947.)

It was also pointed out in the same judgment that "*likelihood*" refers to a reasonable probability and the likelihood of confusion must be appreciated globally and that

"Global appreciation of the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and prominent components."

(par. 10 at p. 948.)

- [7] When comparing the two marks one should also bear in mind the difference between "*deception*" and "*confusion*". The former means to cause someone to believe something which is false and the latter means bewilderment, doubt or uncertainty (**John Craig (Pty) Ltd v Dupa Clothing Industries** 1977(3) SA 144 (T) at 150H). The question of the likelihood of confusion or deception is often a matter of first impression and does not require one to peer too closely at the registered mark and the alleged infringement to find similarities and differences (**Puma AG Rudolf Dassler Sport v Global Warming**

(Pty) Ltd 2010(2) SA 600 (SCA) at par. 9). Also, in considering the question of possible deception or confusion, proper allowance must be made for the imperfection of human recollection and perception (John Craig (Pty) Ltd v Dupa Clothing Industries (Pty) Ltd, *supra*, at 153D-G). However, due regard must also be had to the dominant feature of each of the marks in issue (International Power Marketing (Pty) Ltd v Searles Industrials (Pty) Ltd 1983(4) SA 163 (T) at 168H). When comparing the two marks one should, as observed by Colman J in Laboratoire Lachartre SA v Armour-Dial Inc 1976(2) SA 744 (T) at 746D, “*transport (oneself), notionally, from the courtroom or the study, to the market place*”. This means that one should try to look at the marks as they will be seen, if they are both in fair and normal commercial use, by the hypothetical consumers of the goods concerned.

- [8] It was submitted on behalf of the Opponent that the marks **STONE-DRI** and **STONE HARBOUR** are confusingly similar in both sight, sound and meaning. It was also argued that the dominant feature of each of the marks is the word “**STONE**” and that this is the most memorable feature of each mark. It was pointed out that the word “**STONE**”, when used in relation to goods in classes 18 and 25, is unusual. There is an absence of any natural association with the

goods in question that makes this mark distinctive. Therefore, it was submitted that the relevant consumer (being a person of average intelligence) is likely to be confused between the Applicant's **STONE-DRI** mark and that of the Opponent's **STONE HARBOUR** mark.

[9] Although there was no appearance on behalf of the Applicant, he pointed out in his Answering Affidavit that the only point of similarity between the two marks is the word "*STONE*". According to him the use of the word "*STONE*" is common in the market place and in particular in the fashion and clothing industry. In support of this submission he annexed register page printouts obtained from the Trade Marks Office reflecting various trade marks incorporating the word "*STONE*", including marks such as **STONE COMFORT**, **BLUE STONE**, **STONE ISLAND** and **STONEWASHED** (all in class 25 and of different proprietors). According to the Applicant it should therefore be evident from the register pages that the word "*STONE*" is common to the fashion and clothing industry and is not associated with the Opponent.

[10] In my view the question to be decided is whether, on a comparison of the two marks, there is a reasonable likelihood of confusion if both are to be used together in the ordinary course of business. A similar

question was considered by the Supreme Court of Appeal in **Bata Ltd v Face Fashions CC and Another** 2001(1) SA 844 (SCA). In that matter a company incorporated in Canada was the proprietor of several trade marks including the word "Power", registered in class 25 under the old Trade Marks Act of 1963. It was alleged that the mark "Power House" was likely to be confused with the "Power" trade mark. In rejecting this argument the court said the following (par. 10):

"Counsel for the appellant submitted that the common element in both marks, the word 'Power', was likely to lead to confusion despite the fact that it is used in combination with the word 'House' on the first respondent's clothing. If full effect is given to this argument it would result in the appellant having a virtual monopoly to use the word 'Power' on clothing. According to the evidence, however, there are numerous trade marks registrations in South Africa in respect of clothing which incorporate or include the word 'Power'. It is an ordinary word in everyday use, as distinct from an invented or made-up word, and it cannot follow that confusion would probably arise if it is used in combination with another word."

- [11] In my view, the above *dictum* applies with equal force to this application. If full effect is given to the argument that the word "**STONE**" was likely to lead to confusion, despite the fact that it is used in combination with a different word (i.e. "**HARBOUR**" as opposed to

“DRI”), it would result in the Opponent having a virtual monopoly to use the word “**STONE**” on goods in respect of classes 18 and 25. Furthermore, according to the evidence, there are various trade mark registrations in South Africa in respect of the fashion and clothing industry which incorporates the word “**STONE**”. Also, in this regard, it appears to be an ordinary word in everyday use in distinction to an invented or made-up word. Therefore, in my view, it cannot follow that confusion would probably arise.

- [12] However, there is also another question to be considered. Viewing the marks as a whole or looking at the dominant features of each mark, is it not likely that consumers might be confused or deceived into believing that goods in respect of classes 18 and 25 bearing the words “**STONE-DRI**” have a connection with the registered trade mark “**STONE HARBOUR**”? Put differently, as was also argued by counsel for the Opponent, is it not likely that consumers might believe them to be “*horses from the same stable*”? The following *dictum* in the Bata-judgment, where a similar question was considered, is apposite in this regard (par. 11):

“In my view, the common element of the Appellant’s and the First Respondent’s marks is of minor significance when the marks are looked at as a whole. It is not possible to ignore the


word 'House' in the First Respondent's mark. I have considerable difficulty in imagining that the notional purchaser of the First Respondent's clothing would focus attention only on the word 'Power'. The word 'House' is as significant as the word 'Power' and the two words used together sufficiently distinguish the First Respondent's clothing from that of the Appellant."

- [13] In my view the same principle applies to the present matter. When both marks are looked at as a whole there is a significant difference between "**STONE HARBOUR**" and "**STONE-DRI**". Although the first word in both marks is the same, there is no similarity between "**HARBOUR**" and "**DRI**". This is also the distinguishing factor between the two marks. Furthermore, according to the evidence presented by the Applicant it appears that the word "**STONE**" is commonly used in respect of various trade mark registrations. Therefore, in my view, the average consumer would not be confused or deceived into believing that the goods concerned have a connection with one another in the normal course of trade. I should also mention that as a matter of first impression I had considerable difficulty to imagine, having regard to the dominant features of each mark, that there is a probability or likelihood of confusion.

[14] In coming to this conclusion I did not lose sight of where the onus lies. The onus of proving that there is no likelihood of consumer deception or confusion rests on the Applicant who is seeking such registration (Smithkline Beecham Consumer Brands (Pty) Ltd v Unilever 1995(2) SA 903 (A) at 910A-B). In my view the Applicant has discharged this onus and for the reasons set out above, I am of the view that there is no likelihood of consumer deception or confusion. In the result the application for registration must succeed.

[15] I make the following order:

- (a) The application for registration of trade mark 2010/09603-4 STONE-DRI in classes 18 and 25 be and is hereby granted;
- (b) The costs for opposing the application shall be paid by the Opponent.


D S FOURIE
JUDGE OF THE HIGH COURT

12 May 2014