

SOUTH AFRICA / JUDGMENT

Engen Petroleum Ltd v Botha and Others (4658/05) [2006] ZAGPHC 202; 2006 BIP 215 (T) (19 May 2006)

[2006] ZAGPHC 202

COURT
High Courts - Gauteng

BEFORE
Prinsloo

CASE / FILE NUMBER
4658/05

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IN
THE HIGH COURT OF SOUTH AFRICA /ES
(TRANSVAAL PROVINCIAL DIVISION)
CASE
NO: 4658/05

DATE: 19/5/2006
NOT
REPORTABLE
IN

THE MATTER BETWEEN: ENGEN
PETROLEUM LTD APPLICANT
(Registration
number 1989/003754/06)
AND
JACOBUS
CHRISTOFFEL BOTHA 1ST RESPONDENT
WINS
MOTORS 2ND RESPONDENT
THE
ADDED MILE 3RD RESPONDENT

JUDGMENT

PRINSLOO, J

- [1] The applicant applies for interdictory relief against the respondents to protect its rights acquired as registered holder of

certain trade marks. As is often the case, the cause of action is extended to support allegations of passing off on the part of the respondents and, in the notice of motion, provision is also made for the usual ancillary relief aimed at the removal of alleged offending advertising material alternatively delivery up.

- [2] Before me, Mr Ginsburg SC assisted by Mr Botha appeared for the applicant and Mr Van der Westhuizen appeared

for the respondents.

- [3] The applicant carries on business as, amongst others, a wholesale distributor of petroleum products. It generally markets these products to its network of independently owned and operated retail service stations which in turn market the petroleum products to the public. The applicant has a network of well over one thousand service stations in the Republic of South Africa.

- [4] In addition, the applicant is the proprietor of the business known as The Extra Mile ("The Extra Mile") which business

is carried on as a division of the applicant. The applicant is the franchisor of The Extra Mile business. There are presently seven franchisees actively conducting the business of The Extra Mile franchise in South Africa, and active planning is underway to extend the number of these franchises substantially in the foreseeable future.

- [5] The Extra Mile is essentially a vehicle service and maintenance franchise focusing on vehicles with expired manufacturers warranties.

The franchisees provide to the public, under this banner, amongst others, menu type quality vehicle servicing and expertise, spare

parts, batteries, shock absorbers, lubricants and exhaust systems.

- [6] The first respondent carries on business in Polokwane under the name and style of "Wins Motors".

The first respondent carries on business as an operator/dealer of an Engen branded Petroleum Filling Station in terms of a Retail Dealer Agreement concluded between the applicant and the first respondent on or about 27 May 2002.

[7] It is common cause that, from about April 2005, the first respondent started operating another business under the name and

style of "The Added Mile" from the same premises where Wins Motors has been carrying on business under the banner of Engen in terms of the Retail Dealer Agreement. The first respondent alleges that "The Added Mile" was being run as a division or "afdeling" of Wins Motors and not as a separate business.

[8] It is common cause that the first respondent is the sole proprietor of Wins Motors (the second respondent) and "The Added

Mile" (the third respondent).

[9] In terms of the Retail Dealer Agreement the applicant, as from August 2001, supplied the first respondent with its brand of

automotive fuel for resale by the first respondent, subject to the terms and conditions contained therein.

[10] In terms of the "service station general terms", incorporated by reference in the Retail Dealer Agreement:

(i) the business of the dealer was defined to mean the business to be conducted at the premises being 15 Witklip Street, Annandale,

Polokwane; and

(ii) the first respondent was entitled to carry on as part of the business the activities of a motor garage; and

(iii) the premises were at all times to be kept in a neat and tidy state, its external appearance at all times conforming with the reasonable requirements of the applicant; and

(iv) the first respondent would not remove or apply for the removal of the business or any portion thereof from the premises or alter the name of the business without the prior written consent of the applicant, which consent the applicant was entitled to withhold at its discretion without having to furnish a reason for that decision; and

(v) the first respondent was obliged to ensure that the appearance of the premises was at all times to the reasonable satisfaction of the applicant in accordance with such directions as the applicant may determine; and

(vi) the aforesaid direction may include the painting or repainting of the premises in accordance with the applicant's standard colours for the brand of automotive fuels marketed through the premises; and

(vii) the first respondent would not, at, on, or in relation to the premises, without the prior written consent of the applicant (which consent could be withheld in the absolute discretion of the applicant)

- (a) permit any infringement of any of the applicant's trade marks or those which it has the right to use, or any detraction from any brand or corporate image of the applicant; or
- (b) install or exhibit or allow the installation or exhibition of any sign, device, other signage, other advertising material or notice; and

(viii) the first respondent acknowledged not to have, and that he would not acquire, any right in or to any trade mark or trade dress or brand or corporate image or other intangible right of the applicant or any right to require the applicant to afford the

premises the same image, signage or other attribute as any service station at which any of the applicant's automotive products may be sold; and

(ix) the first respondent would not effect or cause to be effected any improvements on or any alterations of any nature to, the

premises, nor would the first respondent erect or install any additional building structure on the premises.

[11] The applicant is and has been since 1991 the registered proprietor in the Republic of South Africa of the trade marks Graphic E Device and Engen.

[12] These marks were registered in various classes, but, for purposes of this application, the applicant relies only on the registrations in class 4 and class 42 for the necessary relief to protect its rights connected with such registrations.

[13] The registration in class 4 is in respect of industrial oils and greases, lubricants, dust absorbing, wetting and binding

compositions, fuels (including motor spirits) and illuminants, candles and wicks.

[14] The registration in class 42 is in respect of services for, or in connection with, or relating to: the production, supply, sale and/or distribution of vehicles and parts and accessories therefore, fuels, lubricants and other products used in the running, maintenance and care of vehicles and other aspects which need not be mentioned for purposes of this judgment.

[15] The applicant is also the proprietor in the Republic of South Africa of the trade mark The Extra Mile. Since approximately 2001, the applicant has made continuous and extensive use of the trade name and trade mark The Extra Mile as well as the distinctive get up in relation thereto in South Africa and the mark and get up are distinctive of the applicant's business.

[16] An application for registration of this mark has been made. The application was accepted by the Registrar of Trade Marks and the acceptance duly advertised. Three months have elapsed since such advertisement and there has been no opposition thereto. Accordingly the

application for the registration of the trade mark has been lodged and for purposes of the Trade Mark Act the date of lodgment shall be deemed to be the date of registration.

Although all the requirements have been met, the actual registration certificate has not yet been issued because of a backlog in the office of the Registrar of Trade Marks.

[17] The Extra Mile business commenced its activities during or about the year 2000. The new concept included the fitment of exhaust

products and added to that the concept of menu motor servicing. Products were then added to the product list and the main line

products and service that are now available from any The Extra Mile franchisee include exhaust products, service by means of the menu motor servicing formula, tow bars, shock absorbers, lubricants and batteries.

[18] The applicant established that there was a substantial market for vehicles that required quality servicing once warranty periods

given by Manufacturers expired.

[19] The particular distinctive get up used for The Extra Mile business, including specifically its colours, fonts, appearance of the menu, branding and other marketing features, are aimed at identifying the brand in the minds of consumers and to create a specific image of quality vehicle servicing. The get up and colours are specifically designed to attract the target market.

[20] During 2001 the applicant instituted in earnest The Extra Mile business by establishing a training and development site in Pretoria. The applicant has continued to build its brand and expand its franchises so that it presently has seven franchisee stores, one in Mpumalanga and the others in Gauteng.

[21] In addition, the applicant is currently establishing two franchisee stores in Durban and has extensive plans to have at least

twenty four franchisee stores throughout South Africa by the end of 2006.

[22] The applicant submitted that, by virtue of the location of these franchisees, many thousands of motorists see the distinctive get up and trade mark. This form of visibility draws the brand to the attention of the public at large and constitutes advertising which is invaluable to the applicant's business and reputation. These submissions are made in support of the case to prove passing off on the part of the respondents, as the establishment of reputation is a requirement for such a case.

[23] The applicant's representatives also attended a Franchise Business Opportunity trade show in Midrand where some ninety five

serious enquiries from persons wishing to establish such franchise stores were received. Some two thousand brochures promoting the business were distributed. The applicant has embarked on an aggressive and vigorous advertising campaign of this franchise

business.

[24] Since 2001 the franchise business has been extremely successful. For the first half of 2005 the collective turn-over of the seven franchise businesses was approximately R6 million and over the past five years the franchisees have generated a turn-over in excess of R24 million. The franchisee businesses receive an average of two hundred customers per business per month.

[25] The following are notable features which appear from the applicant's brochure forming part of the founding papers:

- (i) the use of lilac colouring on all boards and signs;
- (ii) the mark The Extra Mile appears in a distinctive style of lettering;
- (iii) symbols for batteries, shock absorbers, exhausts, servicing and oils are displayed on sign boards, signs and pamphlets;
- (iv) a distinctive lay-out with "menus" for servicing; and
- (v) distinctive signage.

[26] Colour documents and photographs were attached to the founding papers to comprehensively illustrate the get-up and other features.

[27] Currently the applicant spends approximately R200 000,00 per annum on advertising and marketing. In addition, the

franchisees contribute 4% of their turnover for advertising and marketing campaigns. The advertising budget is used to advertise on radio and newspapers and also for the distribution of some 125 000 pamphlets every month.

[28] Although the franchisee businesses are associated with the Engen trade mark, in particular inasmuch as Engen lubricants are sold at The Extra Mile businesses, the franchisee businesses are not usually conducted from or in close proximity to an Engen service station. The applicant has sought to develop The Extra Mile's brand and trade mark as a separate and distinct business even though it may arise out of the Engen "stable".

[29] After initially establishing franchise businesses in Pretoria, the East Rand and Mpumalanga, the applicant started expanding the business to other areas such as Polokwane, Potgietersrus and Louis Trichardt.

[30] In this process a representative of the applicant was introduced to the first respondent as a possible interested franchisee. During a series of meetings and discussions the first respondent and his spouse were introduced to the full details of the franchise business,

goals, get-up and other related information. The first respondent was supplied with a disclosure document containing all the logos, designs, trade marks and colouring information relating to The Extra Mile business. All this was supplied to the first respondent on a confidential basis. He knew that he was not entitled to keep or utilise that information if the franchise opportunity was not concluded. In particular, the first respondent was exposed to the Silverton and Centurion franchises. The applicant, in this regard, presented, in the founding papers, a series of photographs and brochures, as annexures "FA16" and "FA17", clearly illustrating the imitation get-up created by the first respondent for its "The Added Mile" business or "division" established during or about April 2005 on the existing premises conducted under the Engen banner as previously described.

[31] The imitation advertising boards and pamphlets also bear the distinctive Graphic E Device and Engen trade marks of the

applicant.

[32] It is patently obvious that the first respondent went out of his way to produce an imitation get-up resembling The Extra Mile get-up of the applicant as closely as possible. The colour schemes and lay out of the advertising material are, to my mind, almost identical. It is correct that some of the colours are not exactly the same as those used by the applicant, but, generally speaking, there is no doubt that dedicated efforts were made to create an imitation as close as possible to the original product of the applicant. Even the little icons or illustrations printed next to the words "batteries", "shocks" and "repairs" are identical on The Extra Mile and The Added Mile materials respectively.

[33] In particular, the advertising pylon to be found outside the service centre next to the street can only, in the case of The Added Mile pylon of the first respondent, be described as a near perfect imitation of the "Extra Mile" pylon outside one of the applicant's franchisees. Photographs of these are to be found on annexures "FA17.1" and "FA14" to the founding papers respectively.

[34] It is common cause that the negotiations embarked upon between the parties with the view to installing the first respondent as a franchisee for The Extra Mile chain of businesses broke down. It is not disputed that the standard franchise fee payable by a prospective franchisee is something in the order of R600 000,00. Because the first respondent already had most of the equipment available to set up the franchise business, there were negotiations for a "discount" in this regard.

[35] The "discount figure" mooted was some R70 000,00, but it seems that even this amount was not acceptable to one of the parties, so that the talks broke down.

[36] According to the evidence contained in the founding papers the first respondent's spouse contacted one Ms Neethling, wife of the Silverton franchisee, after the break down of negotiations and asked for paint lists, the service menus and the price lists for the franchise stores from the Silverton franchise.

- [37] The first respondent also discussed the matter with one Sharron Nel, an employee of the company which supplies The Extra Mile with signage and she disclosed to him how the signage would be done and discussed various plans with him.
- [38] It is quite obvious that, armed with all this information, and having declined to enter into a formal franchise agreement, the first respondent decided to take it upon himself to set up an imitation outlet.
- [39] The mere fact that the first respondent went to all the trouble of creating an imitation of The Extra Mile franchise outlet, as I attempted to describe briefly by reference to clear annexures forming part of the founding papers, signifies, in my view, an acknowledgement on the part of the first respondent that he considered the applicant to have established a reputation, with The Extra Mile businesses, which was well worth imitating and using with a view to attracting confused customers.

Under these circumstances, attempts made by the first respondent in his opposing affidavit, such as they were, to dispute the applicant's allegations of having established a reputation, are unconvincing and rejected.

- [40] Quite apart from the first respondent's acknowledgement that the applicant has established a reputation, I am persuaded, by all the evidence to which I have referred with regard to the number of franchises already running smoothly at a handsome profit, the period over which this is been happening, the advertising campaigns that are underway, the amounts spent on advertising, the turnover generated by the existing outlets and the interest shown by other prospective franchisees that a reputation has been established by the applicant, as intended by the requirements for making out a case for passing off.
- [41] As to the question whether the required reputation has been proved, it is necessary to briefly consider the further argument

advanced by the first respondent.

When the applicant first learnt of the activities of the first respondent involving the imitation of The Extra Mile's get-up and

outlet, a letter of demand was addressed to the first respondent on 30 August 2005, placing the latter on terms to change the lay out and get-up of his business premises to the extent that they will not reasonably be likely to confuse the public into believing that his business is connected with the applicant.

Part of the response conveyed to the applicant through a letter written by the first respondent's attorney, reads as follows:

"U skrywe van 30 deser gerig aan ons kliënt, The Added Mile, het betrekking. Ons word meegedeel deur ons kliënt wie Engen petroleum produkte verkoop dat hy genader was deur Engen om 'n franchise, 'The Extra Mile', te bedryf maar moes ons kliënt 'n bedrag van R70 000,00 betaal het terwyl ons kliënt skynbaar reeds alle toerusting ens besit.

U kliënt kon skynbaar nie met ons kliënt regkom in hierdie verband.

Ons het vasgestel dat daar geen franchise agentskappe is van 'The Extra Mile' vanaf Bella Bella (voorheen Warmbad) tot Musina en dit blyk dat u kliënt nog nie 'n verspreidingsnetwerk het nie veral in Noord-Transvaal."

The first respondent's contention was that because the applicant had not started a business in the Polokwane area or does not operate

throughout South Africa that it is accordingly not protected against the first respondent's passing off.

[42] To counter this argument, the applicant's counsel referred me to the case of Caterham Car Sales & Coach Works Ltd v Birkin Cars (Pty) Ltd [1998] ZASCA 44; 1998 3 SA 938 (SCA) where the learned judge of appeal says the following at 949E G:

"The fact that, under certain circumstances, the locality of a business might be a component of goodwill, does not mean that

goodwill can only exist where the business is located. This Lord MacNaghten appreciated. One wonders what the drawing power of the place of business is if the business is conducted solely by post or over the internet. There is therefore merit in the view of Lockhart J, namely that the law of passing off should not be trammelled by definitions of goodwill developed in the field of revenue laws ..."

[43] Again, with reference to the Caterham Car Sales case, applicant's counsel submitted that in our law the test is not so much where the goodwill or reputation is located, but rather whether the applicant has in a practical and business sense, sufficient reputation amongst a substantial number of persons who are either clients or potential clients of his business. As far as the "location" of reputation is concerned, it is sufficient to demonstrate that it subsists where the misrepresentation complained of causes actual or potential damage to the drawing power of the plaintiff's business. – Caterham Car Sales at 950A D.

[44] Given the nature of the business under consideration, the fact that, by its very definition, the business attracts mobile customers in the form of motorists travelling extensively throughout the republic and observing advertising pylons and outlets of this nature on their journeys, the first respondent's own recognition of an existing reputation worth buying into and these submissions made by Mr Ginsburg, as well as the other statistical details I have already dealt with, I am satisfied that the "geographical argument" advanced by the respondents, is without merit in this particular case.

[45] In the result, I have come to the conclusion that the applicant's get-up and the trade name The Extra Mile are known in the market and have acquired a public reputation or have at least become distinctive from other, similar, goods, businesses or services.

[46] To obtain relief based on the alleged passing off activities of the first respondent, the applicant must also show that the first respondent's "The Added Mile" business' get-up is confusingly or deceptively similar to the applicant's aforesaid

distinctive get-up.

[47] It must also be shown that the conduct of the first respondent is in all the circumstances calculated to confuse or deceive people into believing that the first respondent's business is that of the applicant or is connected in the course of trade with the applicant.

[48] In my view, the applicant has made out such a case. I have already referred, by dealing with various annexures to the founding papers, to the striking similarity between the get-up to be found in the applicant's authorised franchise shops, and the imitation get-up to be found in the shop created by the first respondent.

The probabilities are overwhelming that the conduct of the first respondent is designed and calculated to confuse or deceive customers

into believing that he is running a business connected with the applicant.

In my view, this conclusion is even supported by the first respondent's choice of the name "The Added Mile" which, unquestionably, is aimed at echoing the same message flowing from the applicant's "The Extra Mile". I am not prepared to accept that the first respondent chose such a strikingly similar name and message purely by coincidence.

[49] As to the question of deception and confusion, it is worth mentioning that the wife of the Boksburg franchisee also happened to drive past the first respondent's business late in August 2005. She was confused by the similarity between the two businesses and later made enquiries with the applicant with regard thereto. She specifically enquired as to when the applicant decided to permit The Extra Mile franchise in Polokwane.

[50] The same reaction came from the franchisee owner of the Centurion franchise. He was alarmed at the startling similarity

between the first respondent's premises and the premises of the other authorised franchisees.

[51] When the activities of the first respondent became known, all the legitimate franchisees became irate. They felt that the first respondent's business in Polokwane was usurping the goodwill for which the other franchisees paid substantial monies.

[52] In view of the foregoing, I am satisfied that the applicant has proved the passing off of the first respondent's "The Added Mile" business as that of the applicant or as being connected in the course of trade with the applicant.

[53] As to the relief claimed for infringement of the applicant's trade marks, it has been clearly established, as I already indicated,

that the applicant is the registered proprietor in the Republic of South Africa of the trade marks Graphic E Device and Engen.

[54] I have already referred to details of the registrations in classes 4 and 42. Copies of the registration certificates were

tendered and exhibited. Appropriate concessions were also made in this regard by Mr Van der Westhuizen during the course of his argument. It turned on the assignment of the rights under the trade marks to the present applicant, Engen Petroleum Ltd, after the marks were initially registered in the name of Engen Ltd. Nothing turns on this.

[55] In any event, the first respondent's case appeared to be that he is entitled to use the trade marks as a result of the Retail Dealer Agreement. This amounts to a concession that his rights to use the trade marks emanate from the applicant.

[56] It was also not disputed that the first respondent was deliberately associating his so-called "The Added Mile" business with the applicant's Engen business and trade marks by incorporating them on the pamphlets.

[57] Despite the first respondent's contentions that he has used the trade marks over a long period of time in connection with his service station business, it is clear that no consent has ever been given by the applicant for the use of its trade marks in connection with the so-called "The Added Mile" business inasmuch as this is allegedly a division of the "Wins Motors" business.

[58] It is clear from clause 10 of the Service Station General Terms incorporated in the Retail Dealer Agreement, to which I have already referred at some length, that the first respondent has no absolute right to use the marks and that at all times the marks are to be used with the consent of the applicant. The applicant has an absolute discretion to withdraw such consent.

[59] It is convenient to quote clause 10.1 of the Retail Dealer Agreement:

"Without limiting the generality of the foregoing, the Dealer shall not, at, on, or in relation to, the premises, without the prior written consent of the Company [which consent the company may withhold or (having furnished it) withdraw, in its absolute

discretion without having to furnish any reasons for any such withholding] –

- (a) permit any infringement of any of the company's trade marks or those which it has the right to use, or any detraction from any brand or corporate image of the company so determined; or
- (b) install or exhibit or allow the installation or exhibition of any sign, device, other signage, other advertising material or notice."

[60] In all these circumstances I am persuaded that the use of the applicant's Engen mark and Graphic E Device mark as

described is an infringement in terms of section 34(1)(a) of the Trade Marks Act, 1993. The use of the marks is unauthorised and contrary to the purposes or authority provided for in the Retail Dealer Agreement. It is also use in the course of trade and use in relation to goodwill services in respect of which the trade marks are registered. It is use of an identical mark or of a mark so nearly resembling the applicant's marks as to be likely to deceive or cause confusion.

[61] The first respondent does not dispute that the mark he is using is the applicant's mark and emanates from the applicant. It is therefore clear that the marks are identical.

[62] The first respondent also does not dispute that "The Added Mile" business does not emanate from the applicant and is not approved by the applicant.

[63] In these circumstances I am persuaded that the applicant is entitled to the relief aimed at securing protection against the

infringement of its trade marks.

[64] In conclusion, I must deal with an unusual feature of this case, which distinguishes it from other typical applications aimed at obtaining relief against trade mark infringement and passing off. I refer to an ambiguous approach adopted throughout by the first respondent.

On the one hand it appears that the first respondent, from the time when the first letter of demand was served on him, through his actions conceded that he was in the process of passing off his own business for that of a business associated with the applicant.

The result was that the first respondent immediately agreed to start covering up the signage and other similar features in order to comply with the demands of the applicant. The extent of the compliance remained a bone of contention between the parties, because the applicant contended that the first respondent continued to identify the business, The Added Mile, with the telephone numbers and other particulars presented to customers.

Nevertheless, Mr Van der Westhuizen made submissions to the effect that the business, The Added Mile, had been permanently

discontinued so that the application was unnecessary or superfluous and that a suitable costs order had to be made against the applicant.

[65] On the other hand, the first respondent, throughout, argued that the applicant had failed to make out a case for trade mark

infringement and/or passing off. In this regard comprehensive submissions were made by Mr Van der Westhuizen in his heads of argument and during the hearing.

[66] As to the submission that the business had been permanently terminated at an early stage, I find it useful to quote some

extracts from the papers.

[67] In his founding affidavit the first respondent says the following to illustrate the ambiguity of his approach:

"Kort na die ontvangs van die aanmaningskrywe, het ek reeds opgehou om die motordiens en – herstelbesigheid onder die naam 'The Added Mile' te bedryf, soos hieronder sal blyk. Dit was egter nie moontlik om alle moontlike aspekte onmiddellik te staak nie. Ek ontken dat die bedryf van die besigheid as 'The Added Mile' inbreuk gemaak het, of sal maak, op enige regte wat die applikant mag hê in die handelsnaam 'The Extra Mile'."

[68] The following is also stated in the opposing affidavit:

"Die foto's toon duidelik dat daar gepoog is om in die interim die nodige voorsorgmaatreëls te tref om gehoor te gee aan die versoek. Vanweë ongekende sterk winde in daardie tyd is die voorsorgmaatreëls moontlik nie effektief genoeg in die omstandighede gewees nie."

[69] The following is said on behalf of the first respondent in a letter from his attorney written about two weeks after the application was launched:

"Sover as wat u kliënt nie sou kon aflei van ons kliënt se gedrag soos aangedui in u aansoek dat hy The Added Mile staak is dit ons instruksies om u mee te deel dat hy sy handeling van staking bevestig en nie met die The Added Mile sal voortgaan tot en met die einde van die geding en afhangende die uitslag."

On this subject the applicant's attorney wrote as follows to the respondent's attorney:

"We note that you advise that you have been instructed that your client ceased the business 'The Added Mile' (the contents of the instruction not being admitted by our client). Nonetheless, flowing from your instruction and on your client's own version, is there any reason why your client should not agree to a court order incorporating the prayers set out in the notice of motion of the urgent application?"

[70] To this pertinent question no reply was received. The question was followed up later by the applicant's attorney in the following

terms:

"Regrettably, your letter under reply fails to address the question set out in our letter of 28 September 2005, namely

whether your client will consent to an order in terms of the notice of motion (the costs aspect may be dealt with separately). Perhaps your client will now respond to this question."

[71] The only response that this elicited was the following remark from the first respondent's attorney:

"Ons maak verder die afleiding uit u skrywe dat dit absoluut nutteloos sal wees om enigsins in hierdie saak met u te probeer

kommunikeer hetsy per korrespondensie hetsy mondelings en gevolglik blyk dit dat die saak maar sy normale gang sal moet gaan."

[72] After the application was enrolled as one of urgency for hearing on 1 November 2005, the question of immediate urgency was cured by an undertaking by the respondents which was made an order of court on 1 November 2005. This led to the application being heard in the normal course before me on 9 May 2005. The undertaking, recorded in the court order, reads as follows:

"The respondents undertake not to trade as or under the name of 'The Added Mile' pending finalisation of this matter."

[73] As I have already indicated, this ambiguity continued right to the end of the proceedings. What is clear, is that the respondents,

despite a straightforward invitation to that effect, failed and/or refused steadfastly to consent to the relief sought in order to properly protect the interests of the applicant.

[74] The relief sought in the notice of motion represents what can be termed a combination of traditional interdictory relief in matters of this nature and relief arising from the first respondent's breach of the Retail Dealer Agreement.

[75] I debated with Mr Ginsburg the nature of this relief sought and the possibility of streamlining the order in the event of the applicant succeeding, as I have decided it should, for the reasons mentioned.

[76] As far as costs are concerned I am satisfied that the applicant's decision to employ the services of two counsel was justified. I am not prepared to make a punitive costs order such as the one contended for in the founding papers.

[77] In view of all the circumstances I am also persuaded that the costs of the proceedings of 1 November 2005, to which I have referred, ought to follow the result of the main application.

[78] I make the following order:

1. The respondents are interdicted and restrained from passing off their motor vehicle garage and servicing business as that of the applicant or as being connected in the course of trade with the applicant by using, in regard thereto, the mark "The Added Mile" and/or get-up as depicted in annexures "FA16.1", "FA16.4", "FA16.5", "FA17.1", "FA17.2", "FA25" and "FA28" of the founding affidavit of Johannes Jacobus Petrus Herbst or any get-up which is confusingly or deceptively similar to the applicant's get-up.

2. The first respondent is interdicted from infringing the applicant's rights in the registered trade marks Graphic E Device and Engen acquired by the registration of the trade mark numbers 91/0341, 91/0355, 91/5951 and 91/5958, by using, in relation to any goods or services in respect of which the said trade marks are registered, the mark Engen or the Graphic E Device so as to be likely to deceive or cause confusion, if such use is in relation to the conducting of the unauthorised "The Added Mile" or unauthorised "Wins Motors" business.
3. The respondents are ordered to erase the marks Engen and/or the Graphic E Device from all packages, labels, advertising matter and documents of whatever sort or nature, and which do not relate to the authorised filling station business situated at Portion 3 of Erf 143 Annandale, Polokwane, but to the unauthorised business of "Wins Motors" or "The Added Mile" and which may be in the respondents' possession or under their control.
4. In the alternative to paragraph 3 above, where the marks Engen and/or the Graphic E Device, are inseparable or incapable

of being removed from such material, the respondents are ordered that all such material be delivered up to the applicant.

5. The respondents, jointly and severally, are ordered to pay the applicant's costs, such costs to include the costs of two counsel and the costs of the proceedings of 1 November 2005.

W R C PRINSLOO

JUDGE OF THE HIGH COURT

4658-2005

HEARD ON: 9/5/2006

FOR THE APPLICANT: P GINSBURG SC AND A BOTHA

INSTRUCTED BY: A D HERTZBERG ATTORNEYS, c/o GEORGE H TRAUB

FOR THE RESPONDENTS: C VAN DER WESTHUIZEN

INSTRUCTED BY: RAMPIE SMIT p/a SMITH INGELYF

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