

SOUTH AFRICA / JUDGMENT

Woodlands Dairy Proprietary Limited v Sansom Farming CC and Others (2022/056524) [2025] ZAGPPHC 298 (10 March 2025)

[2025] ZAGPPHC 298

COURT

North Gauteng High Court, Pretoria

BEFORE

Dippenaar

CASE / FILE NUMBER

2022/056524

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FLYNOTES:

INTELLECTUAL

– Trade mark – Dairy
products –

FIRST

CHOICE versus FRESH CHOICE marks – Whether confusingly
similar – Dominant elements of "first"
and "fresh"

were distinct in sound, meaning and visual presentation –

Disclaimers in both registrations limited

exclusive rights to

standalone words – Applicant failed to establish material

link between marks – Failed to

show respondent's use

caused dilution or unfair advantage – Application dismissed

– Trade Marks Act 194 of 1993, ss 10(17) and s 34(1)(c).

REPUBLIC

OF SOUTH AFRICA

IN

THE HIGH COURT OF SOUTH AFRICA

GAUTENG

DIVISION, PRETORIA

CASE

NUMBER: 2022/056524

1.REPORTABLE:

NO
2.OF
INTEREST TO OTHER JUDGES: NO
3.REVISED:
NO
10
MARCH 2025
Judge
Dippenaar
In

the matter between:

WOODLANDS DAIRY
PROPRIETARY LIMITED
APPLICANT
And
SANSOM FARMING CC
FIRST
RESPONDENT
TRE COMPUTERS (PTY)
LTD
SECOND
RESPONDENT
ZA
CENTRAL REGISTRY NPC
THIRD
RESPONDENT

JUDGMENT

Delivered: This judgment was handed down electronically by circulation to the parties' legal representatives by e-mail and by uploading

it to the electronic platform. The date and time for hand-down is deemed to be 10h00 on the 10th of MARCH 2025.

DIPPENAAR J:

- [1] This is an opposed application pertaining to trademarks in which the applicant sought the following relief: [1]
1. 'Trade mark registration no. 2017/12516 FRESH CHOICE logo in class 29 in the name of the First Respondent, is cancelled and removed from the trade marks register, in terms of section 24(1), read with sections 10(7), 10(12) and 10(14) of the Trade Marks Act, 194 of 1993 ('the Act');
 2. The First Respondent is interdicted from infringing the Applicant's statutory trade mark rights in terms of section 34(1)(a) and / or 34(1)(c) of the Act by making unauthorised use, in the course of trade, of its FRESH CHOICE logo and FRESH CHOICE trade

marks (“the impugned trade marks”), or any confusingly or deceptively similar trade marks to the Applicant’s FIRST CHOICE logo trade mark;

3. The First Respondent is interdicted from passing off its business or products as being, or as being connected to, the Applicant through

use of the impugned marks or any confusingly or deceptively similar marks to the Applicant’s FIRST CHOICE and FIRST CHOICE logo trade marks (collectively “the FIRST CHOICE trade marks”;

4. The First Respondent is directed, within 10 days of this order, to remove all references to the impugned marks, or any other marks which are confusingly or similar to the FIRST CHOICE trade marks, from its website, any and all electronic media and/or messenger sites or applications relating to or associated with it, documents and vehicles used by it, all signs at any farm or place of business; and all goods and material in which it trades’;
5. With reference to prayer 2 above and section 34(2)(b) of the Act, insofar as the impugned trade marks are inseparable or incapable of being removed, the First Respondent is ordered to deliver up such material to the Applicant’;
6. The First Respondent is directed to cease all use of the domain name “fresh-choice.co.za” and, within 10 days of such

order, to instruct the Second Respondent to delete its registration of the domain name “fresh-choice.co.za”;

7. In the event of non-compliance with paragraph 6 of the order, the Second Respondent is directed to delete the registration of the

domain name “fresh-choice.co.za” within 10 days of the deadline referred to in paragraph 6;

8. In the event that there is non-compliance with prayers 6 and 7, the Third Respondent is directed to delete the registration of the

domain name “fresh-choice.co.za” within 10 days of the expiry of the 10-day deadline referred to in prayer 7;

9. The First Respondent is directed to pay the costs of this application, including the costs consequent upon the employment of two counsel on Scale C.’

[2] The trademarks in question are:

- [3] The applicant is Woodlands Dairy (Pty) Ltd (Woodlands), a long standing, family owned dairy operator with its principal dairy and packing plant in the Kuga Municipality in the Eastern Cape. It produces an extensive range of dairy products, including UHT milk, which is marketed and sold in outlets throughout South Africa. It sells these products under the name and brand FIRST CHOICE. It owns the FIRST CHOICE device trade marks in South Africa.

- [4] The first respondent, Sansom Farming CC (Sansom) is also a dairy operator, on a substantially smaller scale as the applicant. It is based in the Buffalo City Metropolitan Municipality in the Eastern Cape. It produces milk and other dairy products under its registered trade mark FRESH CHOICE.
- [5] The second respondent, Tre Computers (Pty) Ltd, is an internet service company and the registrant of the fresh-choice.co.za domain name. It did not participate in the proceedings. The third respondent is the ZA Central Registry NPC, the central domain name registry licensed by the ZA Domain Name Authority, the statutory regulator and manager of the .za namespace as established by s 59 of the Electronic Communications and Transactions Act 25 of 2002, to administer domain name registrations. The applicant sought directory relief against the second and third respondents, but no costs orders, save in the event of opposition.
- [6] The third respondent filed a notice to abide the decision of the court. As the second and third respondents did not participate in the proceedings, the first respondent will be referred to as 'the respondent' or by name, where convenient.
- [7] The applicant sought two categories of relief: the first; the cancellation and removal of first respondent's trade mark under

s 10(12), s 10(14) or s 10(17) of the Trade Marks Act ('the Act')[2] ('the cancellation relief'). The second; an interdict restraining the respondent from using the said trade mark in trade, its trading name and in the domain name of its website, with ancillary relief based on infringement under s 34(1)(a) or

s 34(1)(c) of the Act or the delict of passing off under the common law ('the infringement relief').

- [8] The applicant's case in sum was that it has statutory and common law trade mark rights in the FIRST CHOICE trade mark as well as the domain name fresh-choice.co.za as it is well-known and has acquired a secondary meaning as a mark of origin of its dairy products. It contended that the respondent's mark is confusingly similar to its own, causing deception or confusion amongst notional consumers. It submitted that the respondent would be likely to take unfair advantage of its reputation and would enjoy a commercial benefit and that its rights were at risk of being tarnished or diluted even in the absence of any likelihood of confusion.
- [9] The respondent conceded that the applicant demonstrated a reputation in its composite trade marks for purposes of s 10 (12) and 10(17) of the Act, which comprises of more than just the descriptive words,

'FIRST' and 'CHOICE'. Its case in sum was that the applicant did not make out a case for any of the relief sought, either under the Act or the common law. That submission was centrally predicated on the contention that there was no similarity or confusion between the parties' respective trade marks when considered as a whole and applying the well-established test to determine similarity or confusion. It further relied on the disclaimers in the Register and s 15 of the Act which limits

the protection afforded to the applicant under the trade mark registration. It submitted that the words FIRST and CHOICE are merely descriptive words or laudatory epithets that are commonly used in their trade, which cannot result in monopolisation of such words.

[10] According to the applicant it only became aware of the respondent's use and registration of the offending mark pursuant to the publication of an article in the Daily Dispatch Weekend newspaper on 25 June 2022. The applicant had hitherto been unaware of the use of the mark which initially was on a small and localised scale but which since expanded and increased in scale. Pursuant to investigation, its legal representatives addressed various demands to the respondent to withdraw the registration of its mark, which it refused to do. That triggered the current application.

[11] The background facts are not contentious. The applicant is the registered proprietor in South Africa of the FIRST CHOICE trade mark device in classes 29, 30 and 32. It is depicted on the trade mark register in black and white and affords the applicant protection for all colours and colour combinations. The colours used in the products referred to in the application are a red vertical ribbon, a yellow horizontal banner and the words FIRST CHOICE depicted in black writing on the horizontal banner.

[12] The applicant's registered trade mark as it appears from the register is registered in black and white, but includes all colours. It is:

[13] In class 29, in respect of Trade Mark no 1995/16885 the applicant made application for registration on 20 December 1995.[3] it relates to 'Meat, fish, poultry and game; meat extracts, preservatives, dried and cooked fruits and vegetables, jellies, jams, fruit sauces, eggs, milk and milk products, edible oils and fats.'

[14] The FIRST CHOICE device registrations in classes 29 and 32 contain the following disclaimer: 'Registration of this mark shall give no right to the exclusive use of the words FIRST CHOICE separately and apart from the mark'. The registration in class 30 has no disclaimer. The present application concerns the registration in class 29.

[15] The application for registration in class 32 was made by the applicant on 20 December 1995 under 1995/16886 and in class 30 under trade mark no 2006/05666 on 16 March 2006. The applicant also owns a number of other registered trade marks incorporating the FIRST CHOICE trade mark in class 29 covering

various milk and dairy products, including trade mark registration nos. 2015/07605 FIRST CHOICE KICK device; 2016/09054 FIRST CHOICE

FRESH MILK device; 2020/08925 FIRST CHOICE REFRESHA device; and 2020/12564 FIRST CHOICE HARVEST device, all of which are valid and in full force and effect.

[16] Those trade marks have similar endorsements to those in class 29. The 2015/07605 FIRST CHOICE KICK trade mark is endorsed: 'registration of the trade mark shall give no right to the exclusive use of the words "FIRST CHOICE" and KICK" separately and apart from the

mark. Trade mark registration no 2016/08954 is endorsed: ‘registration of this trade mark shall give no right to the exclusive use of the words “FIRST CHOICE” and “FRESH MILK” separately and apart from the mark.’ Trade mark registration no 2020/08925, the FIRST CHOICE REFRESHA device is endorsed: ‘registration of this trade mark shall give no right to the exclusive use of the word “FIRST”, separately and apart from the mark. The applicant admits that the registration of this trade mark shall not debar other from the bona fide descriptive use in the ordinary courts of trade of the word “REFRESH” in its ordinary significance and apart from the mark’. Trade mark registration no 2020/12564, FIRST CHOICE HARVEST device is endorsed: ‘registration of this trade mark shall give no right to the exclusive use of the words “FIRST”, “CHOICE” and “HARVEST”, separately and apart from the mark’.

- [17] The applicant contends for common law trade mark rights since founding the FIRST CHOICE brand some 27 years ago when it started operating the packaging plant for milk produced on Woodlands Farm owned by a family trust. At present it is one of the largest producers of UHT milk in South Africa and employs in excess of 1400 people. It also produces and packages in-house brand products for Spar and Woolworths. Its widened product range includes various cheeses, butter, cream, ‘amasi’ (a fermented milk beverage), yoghurts, custards, flavoured milk drinks, powdered milk, extended shelf life (ESL) fresh milk, UHT milk (long life shelf milk which is sterilised at ultra-high temperatures), dairy desserts, dessert toppings, ice creams, olive oil, balsamic vinegar, flavoured dips, recovery drinks and energy booster drinks. All of these products prominently display the FIRST CHOICE trade marks. Its products are advertised and promoted in various forms of media and advertising including online in various formats. It can be purchased in numerous supermarkets and grocery stores throughout South Africa, including via online shopping websites or via its online store.
- [18] It was undisputed that the applicant has the necessary locus standi to seek relief, as it falls within the category of interested person in s 24 of the Act.[4] It is common cause between the parties that the applicant has demonstrated a reputation and goodwill in its composite trade marks, which comprise more than the words ‘first’ and ‘choice’ and comprises the whole mark as registered.
- [19] The respondent, Sansom, has a registered trade mark no 2017/12526 in class 29 for FRESH CHOICE. Application was made on 9 May 2017.[5] It covers: “Meat, fish, poultry and game; meat extracts; preserved, frozen, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs; milk and milk products; edible oils and fats.” In its terms it is virtually identical to the applicant’s registration in class 29.
- [20] The respondent’s registered trade mark as it appears in the register is in the colours green, blue and white. It is:

The respondent also uses the following logo containing the phrase FRESH CHOICE:

- [21] The FRESH CHOICE mark is endorsed 'Registration of this trade mark shall give no right to the exclusive use of the words "FRESH" and "CHOICE", separately and apart from the mark'. It amounts to a disclaimer of the use of the words FRESH and CHOICE apart from the mark and precludes it from claiming infringement in such instance. The disclaimers of the parties' respective marks are thus in similar terms.
- [22] The respondent has been trading with the FRESH CHOICE mark for nearly ten years. It commenced selling milk on a small scale during 2010, primarily into the rural areas of Good Hope and Chalumna in the Eastern Cape. By 2011, it was using the trade mark FRESH CHOICE. The registration of the mark dates back to 9 May
2017. Since then its use of the trade mark has been wide spread and quite significant. It contends that its mark has acquired a reputation in the mind of notional consumers and that it also acquired common law rights to goodwill and reputation. It operates predominantly in the Imasi fermented milk market and sells farm style butter and cream.
- [23] It is common cause that the respondent is a direct competitor of the applicant and that they both produce dairy products. The respondent's goods are offered to the same consumers as the applicant's and their respective trade channels are the same. The respondent's products are available in the Eastern Cape, whereas the applicant's products are available throughout the country. The parties are based in and operate out of the same province, the Eastern Cape.

The issues

- [24] In broad terms the issues are whether the applicant is entitled to the cancellation relief and the infringement relief on any of the statutory and common law grounds advanced. The nub of the dispute is whether the parties' respective marks are confusingly similar and requires a comparison thereof as it underpins much of the relief sought. The legal effect of the various disclaimers entered onto the trade marks register in respect of both the applicant's FIRST CHOICE and the respondent's FRESH CHOICE trade marks, must also be considered. It is convenient to deal with the issues with reference to the various sections of the Act on which the applicant relies.
- [25] An ancillary issue must first be addressed. At the hearing, the respondent sought leave to introduce a supplementary affidavit, which enclosed certain photographic evidence. The application was not opposed. It is in the interests of justice that a matter be determined on its full facts. The photographic evidence was helpful in a consideration of the respective marks. I am persuaded

that leave should be granted for the affidavit to be introduced as evidence. As the application was not opposed, no costs order is appropriate.

Legal principles and relevant statutory framework

[26] It is apposite to first refer to certain applicable principles. It is trite that in motion proceedings the affidavits constitute both the pleadings and the evidence. Equally trite is the principle that an applicant must make out its case in its founding affidavit.

[27] The cancellation relief sought by the applicant relies on s 10 of the Act. In relevant part, it provides:

‘10 Unregistrable 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:

- (12) 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;
- (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 mark;
- (17) a mark which is identical or similar to a trade mark which is already registered and which is well-known in the Republic, if the use of the mark sought to be registered with would be likely to take unfair advantage of, or be detrimental to, the distinctive character or the repute of the registered trade mark, notwithstanding the absence of deception or confusion, unless the proprietor of such trade mark consents to the registration of such mark:

Provided that a mark shall not be refused registration by virtue of the provisions of paragraph (2) or, if registered, shall not be liable to be removed from the register by virtue of the said provisions if at the date of the application for registration or at the date of an application for removal from the register, as the case may be, it has in fact become capable of distinguishing within the meaning of section 9 as a result of the use made of the mark’.[6]

[28] In relation to the infringement relief, s 34 of the Act in relevant part provides:

’34

- (1) The rights acquired by registration of a trade mark shall be infringed by –
 - (a) the unauthorised use in the course of trade in relation to goods or services in respect of which the trade mark is registered of an identical mark or of a mark so nearly resembling it as to be likely to deceive or cause confusion;
 - (b) ...

- (c) the unauthorised use in the course of trade in relation to any goods or services of a mark which is identical or similar to a trade mark registered, if such trade mark is well-known in the Republic and the use of the said mark would be likely to take unfair advantage of, or be detrimental to, the distinctive character or the repute of the registered trade mark, notwithstanding the absence of confusion or deception: Provided that the provisions of this paragraph shall not apply to a trade mark referred to in section 70(2).
- (3) Where a trade mark registered in terms of this Act has been infringed, any High Court having jurisdiction may grant the proprietor the following relief, namely—
 - (a) an interdict;
 - (b) an order for removal of the infringing mark from all material and, where the infringing mark is inseparable or incapable of being removed from the material, an order that all such material be delivered up to the proprietor.’

[29] The applicable test under s 10(12) was formulated thus in *Smith Hayden & Co Ltd Appn*[7] (the Smith Hayden test):

‘Having regard to the reputation acquired by the name ‘Hovis’, is the court satisfied that the mark applied for, if used in a normal and fair manner in connection with any of the goods covered by the registration proposed will not be reasonably likely to cause deception and confusion amongst a substantial number of persons’. (emphasis provided)

[30] The Smith Hayden test was adopted in our law.[8] In relation to s 10(14), the test requires a court to postulate notional use by the applicant of its registered trade mark in respect of some or all of the goods covered by the registrations relied on and use in a normal and fair manner of the respondent’s trade mark in respect of any of the goods covered by its registration.[9]

[31] The tests under s 10(12), s 10(14) and s 34(1)(a) are similar and relate to whether the respondent’s trade mark is similar, alternatively so similar that it is likely to cause confusion or deceive the consumer into thinking that the FRESH CHOICE mark emanates from or is somehow connected to the applicant’s FIRST CHOICE mark.

[32] In the present context, in terms of s 10(12) a mark shall not remain registered if, inter alia, its use would be likely to deceive or cause confusion. In terms of s 10(14) a trade mark shall not remain registered if it is identical or so similar to a prior registered trade mark of a different proprietor that the unauthorised use thereof in relation to the same or similar goods as those covered by the prior registered trade mark, would be likely to deceive or cause confusion. It was undisputed that the applicant’s trade mark was registered first. Section 34(1)(a) pertains to where rights acquired by the applicant through the registration of a trade mark are infringed by unauthorised use in the course of trade, in relation

to goods in respect of which the applicant’s trade mark is registered, by another person of an identical mark or one so nearly

resembling it as to be likely to deceive or cause confusion.

[33] The test for comparing marks was set out in *Plascon-Evans Paints (Pty) Ltd v Van Riebeeck Paints (Pty) Ltd*[10] and the numerous cases which followed. The requirements are well known and do not require repetition. The nature of a notional

consumer was explained thus in *Adidas AG and Another v Pepcor Retail Ltd (Adidas)*: [11]

‘When considering whether the public will be confused or deceived by an implied representation the court must postulate neither the very careful nor the very careless buyer, but an average purchaser, who has a good idea in his mind’s eye of what he means to get but not an exact and accurate representation of it. The court must also take into account that the purchaser will not necessarily have the advantage of seeing the products side by side and will not be alerted to fine points of distinction or definition. The court must further take into account that the purchaser may not be able to read simple words as there are many people in South Africa that are illiterate.’

[34] A likelihood of confusion must be appreciated globally. Global appreciation of 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 dominant

components’[12] The question of deception or confusion for purposes of infringement requires a comparison of the allegedly offending mark with the registered mark. Unlike passing-off the get up or trade dress of the goods is irrelevant.[13] The value judgment is largely a matter of first impression; there should not be an undue peering at the two marks to find similarities and differences.[14] As held in *Compass Publishing BV v Compass Logistics Ltd*: [15]

‘The likelihood of confusion must be appreciated globally, taking account of all relevant factors. It must be judged through the eyes of the average consumer of the goods or services in question. That customer is to be taken to be reasonably well informed and reasonably circumspect and observant, but he may have to rely upon an imperfect picture or recollection of the marks. The court should factor in the recognition that the average consumer normally perceives a mark as a whole and does not analyse its various details. The visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components. Furthermore, if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion.’

[35] There must be a probability that a substantial number of persons will be deceived or confused requires a number of persons which are ‘not negligible’.[16] Confusion or deception exists when someone believes something that is false or incorrect. To confuse is to cause bewilderment, doubt or uncertainty.[17] It is sufficient if there is momentary confusion only for a short time, albeit that such confusion may later be cleared up.[18] A reasonable likelihood of confusion in any one of the respects of sense, sound and appearance will suffice to give rise to deception or confusion.[19] Actual instances of

confusion and deception need not be shown. [20]

[36] Section 15 of the Act deals with disclaimers. It provides:

‘If a trade mark contains matter which is not capable of distinguishing within the meaning of section 9 [21], the registrar or the court, in deciding whether the trade shall be entered in or shall remain on the register, may require, as a condition of it being entered in or remaining on the register:

- (a) that the proprietor shall disclaim any right to the exclusive use of all or any portion of any such matter to the exclusive use of which the registrar or the court holds him not to be entitled;
- (b) that the proprietor shall make such other disclaimer or memorandum as the registrar or the court may consider necessary for the purpose of defining his rights under the registration:

Provided that no disclaimer or memorandum on the register shall affect any rights of the proprietor of a trade mark except such as arise out of the registration of the trade mark in respect of which the disclaimer is made’.

[37] It is well established that a disclaimer is theoretically never necessary, since registration of a trade mark cannot give rise to any rights except those arising from a trade mark as a whole. A registered proprietor cannot institute an action for trade mark infringement in respect of the use of the disclaimed feature alone. Its primary purpose is to prevent the registration of a composite mark from operations so as to inhibit the use of the disclaimed element by others. Its ancillary use is to prevent the monopolisation of ordinary, common, laudatory or descriptive words in language, which are not inherently distinctive.

[38] It is trite that courts are entitled to take a disclaimed feature into account in deciding whether the infringer’s mark, as a whole, so nearly resembles the proprietor’s mark as to be likely to deceive and cause confusion. The presence of a word or words, which although disclaimed, are less well known and are less currently used, may result in confusion. In this regard, the nature of the disclaimed feature and plays an important role in the comparison of marks. [22]

[39] In *Smithkline Beecham Consumer Brands (Pty) Ltd v Unilever Plc*, [23] in considering the effect of the disclaimer, the Supreme Court of Appeal referred with approval to *American Cigarette*[24] and held:

“This seems to me to have been the basis upon which the Court in that case came to the conclusion that, in comparing the marks as a whole – i.e. having regard to the device together with the disclaimed feature, - there was such a similarity as to be reasonably likely to cause confusion. Although, therefore, the word “Lafayette” was expressly disclaimed it was nevertheless such a dominant feature of both marks, and was, in this country at any rate, so striking and unusual, that if used in both marks deception and confusion would be likely to ensue. Where a disclaimed feature is so dominant or so striking as it was in that case, it may well have the effect of overriding any differences which might be apparent in the devices themselves. The 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. Where the disclaimed features are common to the trade, or are of such a commonplace and non-distinctive character as the brush and tube device in the present case, then full effect should be given to the disclaimer. Although one would still have regard to the marks as a whole, the disclaimed features will, in such event, be of less account than if they had been more dominant or striking.”

- [40] Where disclaimed features are common to the trade, or are of such a commonplace and non-distinctive character, full effect should be given to the disclaimer. One would still have regard to the marks as a whole, but the disclaimed features will, in such event, be of less account than if they had been more dominant or striking.[25]

Comparison of the marks to determine similarity and likelihood of confusion or deception

- [41] The central issue to determine is whether Sansom’s FRESH CHOICE trade mark is similar to that of Woodlands’ FIRST CHOICE trade mark, alternatively, so similar that it is likely to cause confusion or deceive the consumer into thinking that the FRESH

CHOICE mark emanates from or is somehow connected to the FIRST CHOICE mark. That will inform whether cancellation relief is to be granted under s 10(12) or 10(14) of the Act and/or infringement relief under s 34(1)(a) of the Act.

- [42] The parties’ respective registered trade marks comprise not only of the words or phrase FIRST CHOICE and FRESH CHOICE, but of composite marks. They are referred to in paragraph 2 above.

- [43] The applicant submitted that the words ‘FIRST CHOICE’ constitute the dominant part of the mark, being the spoken portion thereof and that the respondent’s mark is visually and phonetically very similar, resulting in confusion or deception. The applicant relied heavily on the incorporation of the identical second word, ‘CHOICE’. It also submitted that there was a ‘phonetical similarity’ between the words ‘FIRST’ and ‘FRESH’ and that they have three

letters in common, being F, R and S. It was submitted that the slight visual and phonetic differences were very likely to be overlooked by consumers, given their tendency to recall trade marks imperfectly.

- [44] The respondent on the other hand contended that the marks were not confusingly similar as the phrase ‘FIRST CHOICE’ was descriptive in nature and was disclaimed, thus the applicant could not rely on the Act to prevent use by other parties of the said phrase separately and apart from its composite marks. It pointed out various differences between the marks and submitted that

the marks must be considered as a whole, taking into account its disclaimers.

- [45] There is an interdependence between the two legs of enquiry regarding confusing similarity and whether there is a likelihood of deception or confusion; the less the similarity between the respective goods and services of the parties, the greater will be the degree of

resemblance required between their respective marks before it can be said that there is a likelihood of deception or confusion in the use of the allegedly offending mark and vice versa.[26] The more distinctive the trade mark is, or the greater its reputation, the greater the likelihood that there will be deception

or confusion where a similar mark is used on a competing product.[27] In the present instance the parties are direct competitors who sell similar goods.

[46] In order to test for deception and confusion, the features of the respective marks which are dominant must be identified. If they share a dominant feature, there will ordinarily be a greater likelihood of deception or confusion. The marks would be used in relation to dairy products. They would be directed at the same consumers and the same trade channels, being stores where food supplies can be purchased. In some instances, the parties' respective products may be displayed in close proximity, whereas in others, an outlet may only carry one of the parties' products or display them separately.

[47] The sound made for the first part of the syllable 'Fi' in FIRST is distinct from the sound 'Fre' in the first syllable of FRESH. The shape of the mouth is also different. It is well established that the first syllable of a word is generally the most important in considering the likelihood of confusion.[28] The last part of the words are also different in comparing the 'St' in FIRST and the 'Sh' in FRESH. The total sound of the respective words when pronounced is distinct. It was further undisputed that the letters F, R and S are used in two other marks registered in class 29, being FISHERMAN'S CHOICE and FARMER'S CHOICE. The applicant cannot claim exclusivity in those letters.

[48] On a grammatical level, the words FRESH and FIRST have different meanings. According to the Oxford Dictionary, 'fresh'

when used as an adjective relating to food - means recently made or obtained, not tinned, frozen or otherwise preserved, not previously

known or used, new or different, recently created or experienced and not faded or impaired; as an adverb - newly, recently. First on the other hand, means number one, coming before all others in time or order, earliest, never previously done or occurring, foremost in position or rank or importance, in preference, goods of the best quality, earliest, foremost, principal, highest, greatest, paramount, top, initial, introductory or original. First and Fresh are normal words in the English language.

[49] The word CHOICE is also a normal word in the English language. On a grammatical level, the word 'choice' means, if a noun - an act of choosing between two or more possibilities. If an adjective pertaining to food - of very good quality. None of the three are made-up words which render them distinctive. They are words in general usage in trade and are of a descriptive of an adjective nature.

[50] The word CHOICE is no more than a descriptive word or a laudatory epithet which is itself inherently incapable of being distinguishable without more. A value judgment is required to determine whether a laudatory word like 'CHOICE' can through use become

distinctive.[29] It was undisputed that there are other marks registered in class 29 in use which incorporate the word 'CHOICE', such as HEALTH CHOICE, FISHERMAN'S CHOICE, CHEF'S CHOICE, BEST CHOICE, MY CHOICE and FARMERS CHOICE. albeit that the applicant sought to differentiate them as they related to different types of foodstuffs and had other distinctive characteristics. The argument does not avail the applicant, given that the respondent's trade mark also contains other distinctive characteristics.

[51] I am further not persuaded that the applicant has established that as a result of the extensive use of the applicant of its FIRST CHOICE trade mark, the phrase FIRST CHOICE' of itself has acquired a secondary trade mark meaning or has become distinctive

through use. That statement is a conclusion, not underpinned by any primary facts or evidence and disregards a consideration of the mark as a whole.

[52] The word CHOICE is an ordinary word in everyday use (in distinction to an invented or made-up word) and it does not follow that confusion would probably arise if it is used in combination with another word. What must be considered, therefore, is whether the notional customer of average intelligence, viewing the marks as a whole or looking at the dominant features of each mark, is likely to be confused or deceived into believing that dairy products bearing the word FRESH CHOICE were connected in the course of trade

with the FIRST CHOICE trade mark. The common element of the marks is of minor significance when the marks are looked at as a whole. It is not possible to ignore the word FRESH in the respondent's mark and it is unlikely that the notional purchaser of the respondent's products would focus attention only on the word CHOICE. The first word is as significant as the latter and the two words used together sufficiently distinguishes the respondent's products from those of the applicant, specifically when considered together with the pictorial elements of the mark.

[53] The words FIRST and FRESH are similarly no more than laudatory epithets of a descriptive nature. They 'contribute nothing to identifying the source of the goods which it prompted'.

[30] These words these are common to trade and of a non-distinctive character when viewed in isolation.

[54] As held by the Supreme Court of Appeal in First National Bank::[31]

'Because a common laudatory word is naturally capable of application to the goods of any trader that one must be careful before concluding that merely its use, however substantial, has displaced its common meaning and has come to denote the mark of a particular trader. That is all the more so when the mark has been used in conjunction with what is obviously taken as a trade mark'.

[55] The words “FIRST” and “FRESH” are similarly of a descriptive nature. In my view, they are inherently incapable of distinguishing one person’s goods from another’s. No amount of use of a purely descriptive term can make it distinctive.

As held by Wallis JA in *Yuppiechef Holdings (Pty) Ltd v Yuppie Gadgets Holdings (Pty) Ltd*, [32] ‘It is not the purpose of trademarks or copyright to enable people to secure monopolies on the commons of the English language’.

[56] Significantly, the applicant’s trade mark registration contains a disclaimer and gives ‘no right to the exclusive use of the words ‘FIRST CHOICE’, separately and apart from the mark. The respondent’s registered mark contains a similar disclaimer and gives ‘no right to the exclusive use of the words “FRESH’ and ‘CHOICE’ separately

and apart from the mark.

[57] I am persuaded that here, as in *Smithkline* [33], the disclaimed features are common to the trade or are of such a commonplace and non-distinctive character so that full effect should be given to the disclaimer. Although one would still have regard to the marks as a whole, the disclaimed features will, in such event, be of less account than if they had been more dominant or striking. In the present instance, the disclaimed features are neither dominant or striking.

[58] It cannot be concluded, as the applicant submitted, that the FIRST CHOICE phrase is so dominant as to be strikingly unusual despite

being disclaimed. [34] Of themselves, the words are neither unusual nor unfamiliar in a South African context.

[59] Further guidance can be found in *Bata Ltd v Face Fashions Cc & Another*. [35] There, the Supreme Court of Appeal held that there were numerous trade mark registrations in South Africa in respect of clothing which incorporate or include the word ‘Power’. It was held that the word was an ordinary word in everyday use, as distinct from an invented or made up word, and it could not follow that confusion would probably arise if it was used in combination with another word. In *Bata*, the Supreme Court of Appeal further held that if full effect was given to the appellant’s argument, similar to the one raised by the applicant here (namely that the word ‘Power’ was likely to lead to confusion despite the fact that it was used in conjunction with another word), it would result in the appellant having a virtual monopoly on the word ‘Power’ on

clothing.

[60] In my view, the same applies to the word ‘CHOICE’ in the current context. In the papers, there are various examples of the word ‘CHOICE’ being used in relation to foodstuffs, albeit different ones to the products here in issue. ‘A court is careful not to interfere with other person’s rights further than is necessary for the protection of the claimant, and not to allow any claimant to obtain a monopoly further than is consistent with reason and fair dealing’.

[36] If full effect is given to the applicant's argument, it would result in the applicant having a virtual monopoly on the word

'CHOICE' in relation to dairy products and other goods registered in Class 29.

[61] I am fortified in this view by the disclaimer in relation to the words FIRST CHOICE. As pointed out by Harms Ja in Cadbury (Pty) Ltd v Beacon Sweets & Chocolates (Pty) Ltd & Another [37]:

"...a disclaimer is, theoretically, never necessary since registration of a trade mark cannot give rise to any rights except those arising from the mark as a whole. It nonetheless has a function. Primarily, it is to prevent the registration of a composite mark from operating so as to inhibit the use of the disclaimed element by others...Statutory monopolies are the exception, not the rule and they need to be justified..."

[62] In reply, the applicant stated its intention to apply for the removal of the disclaimers on the basis that there has been a change in circumstances and that its marks have acquired distinctiveness which militates against the disclaimers. However, it contended that this was not to be considered as any admission of the respondent's contentions. I do not agree. In my view, it illustrates that the applicant appreciates the hurdle the disclaimers present to their present claims. In any event, the marks must be considered in their present state of registration and any future intention on the part of the applicant is irrelevant.

[63] The applicant places undue emphasis on the alleged phonetic and visual similarities of the words. A holistic approach must be taken to consider the whole of the marks. The entirety of the two marks, as they appear in the register must be considered. An applicant cannot informally extend the ambit of the registered mark. Each allegedly infringing mark must be compared with each registered mark as it is recorded in the register to determine whether deception or confusion is likely. It is the mark as it appears on the register that the trade mark owner is entitled to protect.[38] The applicant's focus on the phrase "FIRST CHOICE" is thus misconceived, given that its registration applies to the composite mark and not to the said words in isolation.

[64] On a visual level, the designs of the two marks are substantially distinct, both in font choice and in the visual appearance of the marks. The marks must be considered as a whole. Although the applicant's mark has a disclaimer, our courts have held that a court will consider the marks as a whole including the disclaimed features in order to assess whether confusion or deception

is likely to arise. Although the applicant has the right to use any colours, the colours appearing on its products are distinctly

different from those of the respondent. The designs, shapes, font style and font size and colours are substantially different.

- [65] The notional use to which applicant may put its mark must be considered within the ambit of the monopoly created by the terms of the registration. That requires consideration of 'all possible fair and normal applications of the mark within the ambit of the monopoly created by the terms of the registration'.
- [39] Notional use requires that notice must be taken of the full range of permissible fair use of the registered mark, in relation to any of the goods in respect of which it is registered, and must embrace all ways in which the marks are likely to be employed in fair and notional use, e.g. use of the mark with a generic description of the goods'. [40] Such consideration requires that the applicant's marks must also be considered notionally in the colours used by the respondent,
- as its registration entitles it to use them.
- [66] The impression created by the FIRST CHOICE mark creates a formal impression, given the formal evenly matched font style with no additional embellishment of the font style or words. The words are in a bold black font. The FIRST CHOICE mark comprises of two banner shapes, one superimposed horizontally across the vertical one with the word emblazoned on the horizontal banner. The design of the banner with a ribbon like triangular shape is distinctive. The Applicant is entitled to use the FIRST CHOICE mark in various different colour combinations, including with a red, green or blue vertical ribbon. The words FIRST CHOICE appears in a black font on a yellow banner.
- [67] The impression created by the FRESH CHOICE mark is different and more informal. It appears in an uneven wavy or squiggly font. The font is dark blue with a thick white border encircling the letters. The FRESH CHOICE mark does not appear on or together with any distinctive shape as part of its design. The writing is superimposed on a green rectangular shape, visually different from that of the applicant.
- [68] In my view, the applicant's emphasis on the phrase 'FIRST CHOICE' disregards the distinctive nature of the pictorial elements of the two marks and ignores the totality of the registered marks. The designs are manifestly different and the words cannot be considered in isolation. It must be borne in mind that the phrase 'FIRST CHOICE', only forms part of the composite mark, which must be considered as a whole. The use by the respondent of the logo FRESH CHOICE with the depiction of a cow, is not in my view confusingly similar to the applicant's mark.
- [69] The notional customer who would be likely to purchase the kind of goods to which the marks are applied, would be normal consumers who use dairy products on a daily basis. Those products are of a basic nature rather than a specialised one, such as those sold to persons with dietary restrictions or allergies. The notional consumers of these products would purchase these products on a regular basis as part of their shopping cart in various types of shops which sell every day foodstuffs and other commodities.

- [70] A notional customer will consider the marks as a whole, considering their specific designs, shapes, font size and type, style and colours. The designs are as important as the words. It is the composite design and the pictorial elements of the applicant's mark which is distinct, rather than the words FIRST CHOICE.
- [71] The common element of the marks being the word 'Choice' is of minor significance when the marks are looked at as a whole. The word 'First' as opposed to the word 'Fresh' is distinctive and cannot be ignored. When the marks are compared side by side, and the main or dominant features of the phrases in the marks are considered, namely the words FIRST and FRESH, there is no likelihood of deception or confusion by virtue of the differences already referred to.[41]
- [72] Even if the marks are not considered side by side, the overall impression left by each is distinct, rather than confusingly similar. The notional customer, being a person of average intelligence, having proper eyesight, and buying with ordinary caution, would focus on the mark as a whole, rather on the spoken or word aspects thereof. The pictorial features of the marks are their striking feature, rather than the words used. The words "First' and "Fresh' are the distinctive feature of the relevant
- phrases. As held by our courts, marks are remembered rather by general impressions or by some significant or striking feature, than by a photographic recollection of the whole. If anything, focus would be placed on the visual and pictorial appearance of the marks as a whole, given that a substantial percentage of users of dairy products may not be first language English speakers.
- [73] It must be borne in mind that the consideration of the marks is confined to the marks themselves and no regard should be had to other features of the get-up or other indications of origin of the goods as marketed by the respective parties.[42] In considering an objective global comparison between the applicant's registration and the respondent's actual use of its mark, I am not persuaded that the marks are similar or likely to result in confusion or deception, even if the respective parties' dairy products are similar. Leaving aside the colour differences between the respective marks in considering the notional use to which the applicant may put its mark, the global impression of the marks seen as a whole is in my view substantially different.
- [74] In my view, the applicant did not establish that the parties' respective marks resemble each other so closely that there is a likelihood that deception or confusion will occur, considering the dominant features of the marks as well as the general impression and any striking features.[43] It is difficult to imagine that the notional purchaser would ignore the visual impression of the marks and focus attention only on the word 'Choice' as the other words, 'First' and 'Fresh' are at least equally significant.
- [75] From an overall impression, the marks do not resemble each other closely and the average customer would not be confused or deceived into believing that the respondent's products are in any way associated with the applicant. The marks are sufficiently dissimilar

to each other that no amount of similarity between the respective goods or services of the parties will suffice to bring about an infringement.[44]

[76] I conclude that that the applicant has not established that the respondent's trade mark is similar, alternatively so similar that it is likely to cause confusion or deception. That is fatal to the relief sought under s10(12) and s10(14) of the Act.

[77] Turning to the infringement relief sought under s 34(1)(a) of the Act, the above conclusions are by and large dispositive of the relief sought. For infringement to be established, it must be established that consumers are likely to interpret the mark, as it is used by the third party, as designating or tending to designate the undertaking from which the third party's goods originate. If the use creates an impression of a material link between the product and the owner of the mark, there is infringement, otherwise not.[45]

[78] In argument, the respondent relied on the similarities between the present facts and those in *Lucky Star Ltd v Lucky Brands (Pty) Ltd & Others*[46], concerning the appellant's canned fish and restaurants operated by the respondent in Cape Town. It concerned the phrases 'Lucky Star' used by the appellant and 'Lucky Fish' and 'Lucky Fish &/and Chips' used by the respondent. The Supreme Court of Appeal focused on the requirements of s 34(1)(a) and whether a substantial number of persons would probably have been deceived into believing or confusion as to whether there was a material connection in the course of trade between the respondent's goods and services and the appellant's trademark. It held not. Whilst each case must be determined on its own facts, the application of the principles is instructive in the present context.

[79] The test under s 34(1)(a) is the same as under s 10(14). I have already concluded that the applicant has not established that the marks are confusingly similar and that there is no likelihood of confusion or deception. The applicant has also not in my view established that the use by the respondent of its trade mark creates an impression of a material link between its products and the applicant. The contentions advanced by the applicant are conclusions, and are not supported by any primary facts or evidence.

I conclude that the applicant has not established the requirements of s 10(12), 10(14) for cancellation relief nor for infringement relief under s 34(1)(a) of the Act.

The relief sought under s 10(17) and s 34(1)(c) of the Act

[80] The test under s 10(17) and s 34(1)(c) is similar and the same authorities apply. Section 10(17) of the Act is an anti-dilution

provision which is self-standing and has its own requirements. The Legislature, by introducing the anti-dilution provisions, recognised

that protection should be extended beyond merely 'protecting the mark as a badge of origin'.[47]

- [81] It has its counterpart in respect of infringement in s 34(1)(c), which is aimed at protecting the commercial value that attaches to the reputation of the mark, rather than its capacity to distinguish the goods or services of the proprietor from those of others.[48] It protects the reputation, advertising value or selling power of a well-known mark.[49] It is not necessary that there is any likelihood of confusion or deception. The degree of knowledge required for a trade mark to be 'well-known in the Republic' in the context of s 10(17) would be similar to that in the law of passing off, namely that the reputation must extend to a substantial number of members of the public or persons in the trade in question.[50]
- [82] The dilution provisions can be invoked either because unfair advantage has been taken of a registered trade mark or where the use by another is detrimental to the distinctive character or repute of a well-known registered trade mark. Its object is to avoid blurring or tarnishing of a trade mark. Although a court must be satisfied by evidence of actual detriment or of unfair advantage, economic harm may be self-evident from the primary facts such as where competing products are being sold and the increased sales of the infringing product would be at the expense of the registered proprietor. The advantage or detriment complained of must be of a sufficiently significant degree to restrain the use of the trade mark.[51]
- [83] Where a trade mark proprietor proves a likelihood of deception or confusion, it follows that the mark is likely to take unfair advantage of the registered trade mark and he would succeed on the first leg of the enquiry. Despite the likelihood of confusion or deception not being a requirement, it may nevertheless play a role in enquiries under s 10(17) of the Act. [52]
- [84] The applicant submitted that the evidence demonstrated that it has made consistent widespread and extensive use of the FIRST CHOICE trade mark in association with its dairy products for more than 27 years and has established significant goodwill and common rights in and to its trade mark. As stated, the respondent conceded the applicant's reputation in its composite mark.
- [85] The applicant submitted that the dominant and striking element of the FIRST CHOICE mark is the phrase FIRST CHOICE and consumers would immediately identify the applicant's products with reference to that element. As such it was argued that it must be accepted that the phrase FIRST CHOICE has acquired a reputation and a secondary trade mark meaning over the years that serves as a badge of origin to designate the applicant's products as consumers are familiar with the phrase when used in conjunction with dairy products and recognise that products sold under the trade mark emanate from a single source, the applicant. It was submitted that even a descriptive or disclaimed feature can through time become capable of distinguishing products marketed and sold under the mark containing the disclaimed feature as a result of extensive use. The circumstances which existed when the marks first proceeded to registration have substantially changed, the disclaimers do not preclude it from relying on and enforcing its common law trade

mark rights in terms of s 15 of the Act. As a result of extensive use they have acquired a secondary meaning when used in relation to dairy and related products which enable the FIRST CHOICE trade marks to perform the function of designating a single source of origin.

- [86] The applicant further submitted that no evidence was produced by the respondent to gainsay this. The difficulty with this argument is that the onus remains on the applicant to prove its case and to present cogent evidence in support of the conclusions drawn. The applicant relied on conclusions not underpinned by substantiating primary facts. In my view, once fact is separated from conclusion, there is little left of the applicant's contentions, which primarily rest on conclusions and supposition. The argument that the applicant's evidence established a reputation in the phrase 'FIRST CHOICE' separate and distinct of its mark is in my view not sustained by the evidence presented.
- [87] The applicant's contention that customers who are already familiar with its FIRST CHOICE trade mark are likely to assume that the respondent's goods sold under its FRESH CHOICE device trade mark also emanate from the applicant and are likely to overlook the small differences in the trade marks entirely and be deceived they are buying the applicant's product or indirectly confused, is similarly based on supposition rather than fact.
- [88] The applicant's argument is predicated on there being a high degree of similarity in the trade marks. Once that falls away, there is little left. Although there is similarity in the nature of the goods supplied by the respective parties, I have already concluded the similarity between the parties' respective trade marks is superficial and that the parties' respective marks are distinct.
- [89] The applicant contends as a fact that consumers are likely to assume that the respondent's goods sold under FRESH CHOICE device trade mark also emanate from the applicant and that they are likely to overlook small differences or be directly deceived or indirectly confused. Although no evidence of actual confusion is required, it would assist the applicant. Here its argument is based on unsubstantiated conclusions.
- [90] The applicant relied on Nestle in submitting that its economic harm is self-evident from the primary facts. I am not persuaded that the argument avails the applicant. In the present instance, the primary facts presented are scant. The high water mark of the applicant's evidence is that the parties sell competing products. The remainder of the applicant's case relies on supposition and speculation not underpinned by primary facts. From the evidence presented regarding the production levels of the parties, it is clear that the applicant's production by far exceeds that of the respondent and encompass a far wider range of products sold throughout the Republic, whereas the respondent's product range is less extensive and limited to only the Eastern Cape.
- [91] In my view it can thus not be concluded that the applicant has established that the respondent's mark would be likely to take unfair advantage of or be detrimental to the distinctive character of the applicant's mark.

- [92] For these reasons, I am not persuaded that the applicant has established the requirements of s 10(17) of the Act. In light of the conclusions reached, the applicant is not entitled to the cancellation relief sought.
- [93] I turn to consider the infringement relief sought under s 34(1)(c) of the Act. In terms thereof, the rights in and to a well-known trade mark are also infringed by the unauthorised use of a trade mark that is identical or similar to a prior registered well-known trade mark where such use is likely to take unfair advantage of, or be detrimental to, the distinctive character and repute of the registered mark, notwithstanding the absence of any confusion or deception. The object of s 34(1)(c) of the Act is to avoid blurring and tarnishing of a trade mark and requires evidence of actual detriment or of unfair advantage of s sufficiently significant degree to justify restraint of the use of the offending trade mark.[53]
- [94] The central issue is thus that of similarity and a consideration of whether the respondent's use is likely to take unfair advantage of or be detrimental to the distinctive character or repute of the applicant.
- [95] According to the applicant, the respondent is making use of the trading name 'Fresh Choice', the FRESH CHOICE trade mark as well as the respondent's logo. containing this phrase. It contends the marks are phonetically and visually confusingly similar. In relation to the respondent's logo depicting a cow and the words "fresh choice" it submits that the illustration of the cow is descriptive and the phrases 'est 2010' and 'premium quality' are not distinctive and have no trade mark significance.
- [96] The applicant's focus is squarely on the phrase FIRST CHOICE compared to FRESH CHOICE as the dominant element of the marks, which it contends is confusingly similar and enables the respondent to take unfair advantage of the applicant's reputation and goodwill to its mark, to its prejudice.
- [97] The Supreme Court of Appeal in Bata cautioned that the test in considering similarity must not be given too broad a meaning, lest the net result if it were to stifle competition: [54]

'...similar must obviously be construed in the context in which it appears and, in my view, it should not be given too wide or extensive an interpretation for the purposes of s 34(1)(c). the section, while seeking to preserve the reputation of a registered mark, introduces a new concept into South African Law. If the word 'similar' is given too extensive an interpretation the section might have the effect of creating an unacceptable monopoly to the proprietor of a trade mark and thus unduly stultify freedom of trade. I doubt whether the Legislature could have intended such a result. I am inclined to hold, therefore, that the section does not apply if the two marks are similar merely because they contain features of the same kind or because there is a slight resemblance between them....one of the meanings given to similar is 'having a marked resemblance or likeness. This seems to be an appropriate meaning to be given to the word for purposes of the section'.

- [98] 'Similar' must thus be construed on the context in which it appears and should not be given too wide or extensive interpretation for the purpose of s 34(1)(c). The section does not apply where the two marks are similar merely because they contain features of the same kind or because there is a slight resemblance between them. A marked resemblance or likeness is required.
- [99] There is a superficial resemblance between the marks, given that both marks comprise two words and share the common word CHOICE, and the words FRESH and FIRST being one syllable words which share various letters. However, it cannot be concluded that there is a marked resemblance given the disclaimers and the descriptive nature of the words.
- [100] There are various difficulties with the applicant's stance. First, for purposes of its arguments, the applicant separates the phrase 'First Choice' from the trade mark which is registered. That argument does not bear scrutiny.
- [101] Second, for the reasons already provided, the respondent's mark does not have 'a marked resemblance or likeness' to that of the applicant, when considered as a whole. The applicant over emphasises the spoken aloud aspects of the words FIRST CHOICE and FRESH CHOICE and does not take the mark into account holistically.[55] It also disregards that many of the consumers of the parties' respective products may not be first language English speakers and thus that the words would have less significance in their choices.
- [102] As stated, there is a superficial resemblance between the respondent's trade mark and that of the applicant, given the use of the common word 'choice' and the fact that the accompanying words first and fresh, both start with an "F". The common elements of the marks, being the word 'Choice' is of minor significance if the marked as considered as a whole. The word 'Fresh' as opposed to the word 'First' is different. So are the pictorial portions of the mark. Seen holistically the two marks each contain other distinguishing features, rendering the similarities superficial. Ultimately,
- the words remain ordinary words in the English language which are not novel or made up, thereby gaining some distinctiveness[56]. That likeness is not sufficiently close to hold that they are similar for purposes of s 34(1)(c).
- [103] The FIRST CHOICE and FRESH CHOICE marks, as they appear in the register are in my view sufficiently dissimilar to each other that no amount of similarity between the respective goods of the parties will suffice to bring about an infringement. The overall impression which is created is that the marks do not resemble each other closely and the average customer would not be confused or deceived into believing that the respondent's products are in any way associated with the applicant.

[104] Third, it cannot be concluded that consumers will assume that the respondent's dairy products bearing its mark emanate from or are connected to the applicant. The applicant has not established that the respondent is enabled to take unfair advantage of its reputation or undermines the commercial value or selling power of its FIRST CHOICE device trade mark, for reasons already provided.

The applicant has further not presented evidence of blurring or tarnishing of its trade mark, nor of any actual detriment or unfair

advantage of a sufficiently significant degree to justify restraint of the use of the respondent's trade mark.

[105] I agree with the respondent that the net effect of the relief sought by the applicant would be to create an unacceptable monopoly and unduly stultify freedom of trade, as the Supreme Court of Appeal warned in *Bata*, because its attempt to disregard the disclaimers and their impact amount to an attempt to monopolise ordinary words in the English language like 'First' and 'Choice' even when these are used separately from its own mark.

[106] The stifling of competition in such a manner would also amount to a misuse of the statutory architecture of trade marks law that flies in the face of its legislative purpose.[57] I conclude that the applicant has not established an entitlement to relief under s 34(1)(c) of the Act.

Passing off relief

[107] The delict of passing off has been defined by the Supreme Court of Appeal as:[58]

"Passing-off is a species of wrongful competition in trade or business. In its classic form it usually consists in A representing, either expressly or impliedly (but almost invariably by the latter means), that the goods or services marketed by him emanate in the course of business from B or that there is an association between such goods or services and the business conducted by B. Such conduct is treated by the law as being wrongful because it results, or is calculated to result, in the improper filching of another's trade and/or in an improper infringement of his goodwill and/or in causing injury to that other's trade reputation. Such a representation may be made impliedly by A adopting a trade name or get-up or mark for his goods which so resembles B's name or get-up or mark as to lead the public to be confused or to be deceived into thinking that A's goods or services emanate from B or that there is the association between them referred to above." [59]

[108] In this regard, the difference between the test applicable in passing-off matters and trade mark infringement matters was explained thus in *Stellenbosch Farmer's Winery Ltd v Stellenvale Winery (Pty) Ltd*:

"Inasmuch as the registration of a trade mark confers exclusive rights to the use of such trade mark the enquiry whether such rights of exclusive use have been infringed does not necessarily involve an inquiry as to whether the public is likely to be misled. In passing-off cases the complaint is not based upon any property rights in a mark as such; it is based on the likelihood that the similarity of another's get-up may mislead the public (Halsbury, 2nd ed Vol 32 p 614). The result is that in passing-off actions the

comparison is between the whole get-up of the Applicant and the whole get-up of the Respondent (Halsbury, 2nd ed p 614), whereas in infringement of trade mark actions the enquiry is confined to a comparison of the registered mark with that portion of the Respondent's get-up which is alleged to infringe the Applicant's registered rights."

[109] The relevant principles are stated thus by the Supreme Court of Appeal in Adidas:

'28 The principles governing passing off are well established. Passing off occurs in relation to goods or merchandise. When one trader

represents to the public that his goods or merchandise are the goods or merchandise of another trader. Where the representation is implied, it will usually be made by the one trader adopting a name, mark or get-up for his goods or merchandise which so resembles that of the other trader that there is a reasonable likelihood that ordinary members of the public, or a substantial section thereof, may be confused or deceived into believing that the goods of the former are the goods or merchandise of the latter or are connected

therewith. Whether there is such a reasonable likelihood of confusion or deception is a question of fact to be determined in the light of the particular circumstances of the case. In order to succeed in passing off proceedings based upon an implied representation the aggrieved trader must establish, first, that the name, mark or get up used by that trader has become distinctive of the trader's

goods or merchandise in that the public associates the name, mark or get-up with the goods or merchandise marketed by that trader and, secondly. That the name, mark or get-up used by the other trader is so used as to cause the public to be confused or deceived in the manner described.

29 The degree of distinctiveness (or the extent of the reputation) is of great importance in passing off proceedings as it affects the issue whether the general public will be confused or deceived into thinking, because of the similarity of the name, mark or get-up, that the goods or merchandise of the second trader are those of the first trader or are connected therewith. It follows that (just as in the case of trademark infringement, the more distinctive the get up is (or the greater the extent of its reputation, the greater the likelihood will be that the public will be confused or deceived.

30 When considering whether the public will be deceived or confused a court must postulate, an average purchaser who has a good idea in his mind's eye of what he means to get but not an exact and accurate representation of it. The court must also take into account that the purchaser will not necessarily have the advantage of seeing the products side by side and will not be alerted to fine points of distinction or definition. The court must further take into account that the purchaser may not be able to read simple words as there are many people in South Africa that are illiterate.

31 Finally, it must be borne in mind that the law of passing off does not confer monopolies on successful get-ups. A trader may, to an extent, copy the successful get-up of a rival. However, the moment he copies it he will be at risk. The trader will only avoid liability for passing off if 'he makes it perfectly clear to the public that the articles which is selling are not the other manufacturer's but his own, so that there is no probability of the ordinary purchaser being deceived.....'

[110] A disclaimer does not affect a proprietor's right at common law. If the applicant illustrates that use by the respondent of a disclaimed feature is likely to result in its goods being passed off as the goods of the applicant, it is entitled to an interdict.[60] The comparison is between the whole get-up of the applicant and the whole get-up of the respondent. [61] Insofar as the likelihood of deception or confusion arising is concerned, actual instances of deception and confusion do not need to be shown.[62] The applicant did not set out any evidence of actual confusion since the respondent started using its fresh choice mark in 2011. Although that it not a requirement, that would have assisted the applicant in discharging its onus.[63]

[111] If there is a likelihood of confusion or deception, there is usually a likelihood of damage flowing from that.[64] In considering whether the requisites for passing-off have been established, a court will not have regard to disclaimers.[65]

[112] The proprietary right which is protected in an application for passing-off is goodwill, which is comprised of a number of components.[66] The only component of the goodwill of a business that can be damaged by means of passing-off is its reputation.[67] Reputation is generally proved by providing evidence of extensive use.[68] For present purposes, it can be accepted that the applicant has established goodwill and a reputation in its trade mark. That was not disputed by the respondent.

[113] The question is whether the respondent represents, whether or not deliberately or intentionally, that its goods are those of the

applicant or are associated therewith.[69] Such misrepresentation may occur by the respondent adopting the trade name, get-up, mark or shape of the plaintiff or a name, get-up, mark or shape confusingly similar thereto.[70] The applicant must prove that the respondent's use of the feature itself was calculated to deceive and thus cause confusion and injury, actual or probable to the goodwill of the applicant's business. [71]

[114] The applicant submitted that the respondent's trade marks are too similar to its own and a significant likelihood of deception or confusion exists amongst consumers as to the true source of the respondent's products when it uses any mark, name or domain name containing the phrase 'fresh choice' in connection with dairy products. It contended that as a result of a misrepresentation by the respondent through use of any mark, domain name or name containing the phrase fresh choice, its protectable goodwill and reputation will be adversely affected and prejudiced. That will self-evidently result in harm, given that the parties are competitors.

[115] Considering all the facts, I am not persuaded that the applicant has met the necessary threshold. I have already dealt with the applicant's contentions pertaining to similarity and the risk of confusion or deception. Even if the disclaimed features are taken into account, the differences between the marks by far outweigh their similarities. Considering the respective get-ups and the respective marks as a whole from the perspective of the average consumer likely to purchase the parties' respective dairy products, there is no likelihood that a substantial portion of those consumers are likely to be confused or deceived into believing that the respondent's products emanate from the applicant. The applicant has not in my view established any likelihood of the respondent's goods being passed off as those of the applicant. Other than legal conclusions unsupported by primary facts, there is no cogent evidence that the respondent has imitated the applicant's mark closely or that it has 'acted out of a common charade' 'sailing as close to the wind' without brewing up a storm of deception'. [72]

[116] I am further not persuaded that the applicant has established that the respondent has attempted to ride on the coattails of the applicant's reputation and goodwill. Although the respondent did not in its affidavit elaborate on how its trade mark came to be conceived, the onus remained on the applicant to establish the requirements for relief. It follows that the applicant has not established the requirements of passing off and is not entitled to interdictory relief on this basis.

[117] For these reasons, the application must fail. The normal principle is that costs follow the result. Considering the complexities involved, costs on scale C are justified.

[118] In the result, the following order is granted:

[1] Leave is granted to the first respondent to deliver the supplementary affidavit with no order as to costs;

[2] The application is dismissed with costs on Scale C.

EF DIPPENAAR

JUDGE OF THE HIGH COURT

GAUTENG, PRETORIA.

HEARING

DATE OF HEARING

: 13 NOVEMBER 2024

DATE OF JUDGMENT

: 10 MARCH 2025

APPEARANCES

APPLICANT'S COUNSEL

: Adv. LG Kilmartin SC

Adv. JG Richards SC

APPLICANT'S ATTORNEYS

: Adams & Adams

Ms D Marriot

RESPONDENT'S COUNSEL

: Adv. P Eilers

RESPONDENT'S ATTORNEYS

: Hahn & Hahn

Ms V Lawrence.

- [1] A draft order was provided correcting certain incorrect references to sections of the Trade Marks Act in the notice of motion. The respondent did not object to such corrections.
- [2] Act 194 of 1993.
- [3] Being the effective date of registration under s 29(1) of the Trade Marks Act, being the date of lodgement of the application.
- [4] It provides: "24 General power to rectify entries in register
- (1) In the event of non-insertion in or omission from the register of any entry, or of an entry wrongly made in or wrongly remaining on the register, or of any error or defect in any entry in the register, any interested person may apply to the court or, at the option of the applicant and subject to the provisions of section 59, in the prescribed manner, to the registrar, for the desired relief, and thereupon the court or the registrar, as the case may be, may make such order for making, removing or varying the entry as it or he may deem fit.
- (2) The court or the registrar, as the case may be, may in any proceedings under this section decide any question that may be necessary or expedient to decide in connection with the rectification of the register."
- [4] It provides: "24 General power to rectify entries in register
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- (2) The court or the registrar, as the case may be, may in any proceedings under this section decide any question that may be necessary or expedient to decide in connection with the rectification of the register.”
- [5] See fn 4 above.
- [6] Section 9 pertains to registrable trade marks.
- [7] Smith Hayden & Co Ltd Appn (1946) 63RPC 97 at 101, ln 39.
- [8] Oils International (Pty) Ltd v Wm Penn Oils Ltd 1965
- (3) SA 64 (T) at 67F-H; confirmed in Wm Penn Oils (Pty) Ltd v Oils International (Pty) Ltd 1966 (1) SA 311 (A) at 317C-E.
- [9] Orange Brand Services v Account Works Software 2013 BIP 313 (SCA) paras 6-7.
- [10] Plascon-Evans Paints (Pty) Ltd v Van Riebeeck Paints (Pty) Ltd
- [1984] ZASCA 51; 1984 (3) SA 623 (A) at 641A-641E.
- [11] Adidas AG and Another v Pepcor Retail Ltd [2013] ZASCA 3 at para 3, with reference to Blue Lion Manufacturing (Pty) Ltd v National Brands Ltd 2001 (3) SA 884 (SCA) para 3.
- [12] Adidas supra para 21.
- [13] Adidas supra para 23
- [14]Yuppiechef Holdings (Pty) Ltd v Yuppie Gadgets Holdings (Pty) Ltd 2016 BIP 269 (SCA), para 26.
- [15] Compass Publishing BV v Compass Logistics Ltd
- [2004] EWHC 520 (Ch) at
- [24] – [25], cited with approval in Century City Apartments Property Services CC and Another v Century City Property Owners’ Association 2010
- (3) SA 1 (SCA) at 7E-J, para [13].
- [16] Danco Clothing (Pty) Ltd v Nu-care Marketing Sales and Promotions (Pty) Ltd [1991] ZASCA 121; 1991
- (4) SA 850 A at 861G-H.
- [17] John Craig (Pty) Ltd v Dupa Clothing Industries 1977
- (3) SA 144 (T) at 150 H.
- [18] Orange Brand Services v Accounting Works Software 2013 BIP 313 (SCA) at para [13].
- [19] Cavalla Ltd v International Tobacco Co 1953

(1) SA 461 (T) at 468 G - H.

[20] Adidas Sportschuhfabriken Adi Dassler KG v Harry Walt & Co (Pty) Ltd 1976

(1) SA 530 (T) at 540 A.

[21] It provides: '(1) In order to be registrable, a trade mark shall be capable of distinguishing the goods or services of a person in respect of which it is registered or proposed to be registered from the goods and services of another person either generally or, where the trade mark is registered or proposed to be registered subject to limitations, in relation to use within those limitations. (2) A mark shall be considered to be capable of distinguishing within the meaning of subsection (1) if, at the date of application for registration, it is inherently capable of so distinguishing or it is capable of distinguishing by reason of proper use thereof'.

[21] It provides: '(1) In order to be registrable, a trade mark shall be capable of distinguishing the goods or services of a person in respect of which it is registered or proposed to be registered from the goods and services of another person either generally or, where the trade mark is registered or proposed to be registered subject to limitations, in relation to use within those limitations.

(2) A mark shall be considered to be capable of distinguishing within the meaning of subsection (1) if, at the date of application for registration, it is inherently capable of so distinguishing or it is capable of distinguishing by reason of proper use thereof'.

[22] Registrar of Trade Marks v American Cigarette Co 1966 2 SA 563 (A) (American Cigarette).

[23] Smithkline Beecham Consumer Brands (Pty) Ltd v Unilever Plc

[1995] ZASCA 26; 1995 (2) SA 903 (A).

[24] Registrar of Trade Marks v American Cigarette Co 1966 (2) SA 563 (A) at 574G-H.

[25] Ibid at 912H-I.

[26] New Media Publishing (Pty) Ltd v Eating Out Web Services CC [2005] ZAWCHC 20; 2005

(5) SA 388 (C) at 393I, 394 C-F.

[27] Adidas para 24.

[28] Novartis v Cipla Medpro (Pty) Ltd (728/17) 2018 BIP 268 (SCA) at para 14.

[29] First National Bank of Southern Africa Ltd v Barclays Bank PLC & Another [2003] 2 All SA 1 (SCA) at para 16

[30] On-line Lottery Services (Pty) Ltd v National Lotteries Board and Another 2010

(5) SA 349 (SCA) para 32.

[31] First National Bank of Southern Africa Ltd v Barclays Bank PLC & Another [2003] 2 All SA para 15; LA Group (Pty) Ltd v Stable Brands (Pty) Ltd & Another 2022 (4) SA 448 (SCA) para 108.

[32] Yuppiefchef Holdings (Pty) Ltd v Yuppief Gadgets Holdings (Pty) Ltd

[2016] ZASCA 118 para 38.

[33] Fn 23 supra.

[34] In contrast see Registrar of Trade Marks v American Cigarette Co 1966

(2) SA 563(A).

[35] Bata Ltd v Face Fashions CC & Another 2001

(1) SA 844 (SCA) para 10.

[36] Quad Africa Energy (Pty) Ltd v The Sugarless Company (Pty) Ltd & Another 2020

(6) SA 90 (SCA).

[37] Cadbury (Pty) Ltd v Beacon Sweets & Chocolates (Pty) Ltd & Another

[2000] ZASCA 2; 2000 (2) SA 771 (SCA) para 13.

[38] Adidas supra para 16.

[39] Bata para 6.

[40] Ibid, paras 8 and 9.

[41] Lucky Star Ltd v Lucky Brands (Pty) Ltd & Others 2017

(2) SA 588 (SCA), applying the reasoning in para 10.

[42] Ibid para 7.

[43] Bata Ltd v Face Fashions CV and Another 2001

(1) SA 843 (SCA).

[44] New Media Publishing (Pty) Ltd v Eating Out Web Services CC

[2005] ZAWCHC 20; 2005 (5) SA 388 (C) para 11

[45] Adidas supra para 14 and the authority cited therein.

[46] Lucky Star Ltd v Lucky Brands (Pty) Ltd & Others 2017

(2) SA 588 (SCA)

[47] National Brands Limited v Cape Cookies CC and Another (309/2022; 567/2022) [2023] ZASCA 93 (12 June 2023) at para 17.

- [48] National Brands Ltd v Blue Lion Manufacturing (Pty) Ltd 2001 (3) SA 563 (SCA) para 11.
- [49] Verimark (Pty) Ltd v BW AG; BMW AG v Verimark (Pty) Ltd
[2007] ZASCA 53 (17 May
2007) para 13.
- [50] Mc Donald's Corporation v Joburgers Drive-In Restaurant (Pty) Ltd; Mc Donald's Corporation
v Dax Prop CC; and Mc Donald's
Corporation v Joburgers Drive-In Restaurant (Pty) Ltd 1997 (1) SA 1 (A) at 21C-D; 27H-28J.
- [51] Société des Produits Nestlé SA v International Foodstuffs Co 2014 BIP 317 (SCA) (Nestle)
paras 51-52.
- [52] Webster and Page: South African Law of Trade Marks ("Webster and Page") page, para 6.27,
p6-42.
- [53] Nestle supra paras 51-52.
- [54] Bata supra para 14.
- [55] Lucky Star Ltd v Lucky Brands (Pty) Ltd & Others 2017
(2) SA 588 (SCA)
- [56] Such as in Plascon Evans supra or National Brands Limited v Cape Cookies CC & Another
2024
(2) SA 296 (SCA), relating to Salticrax and Snackcrax, determined under s 10(17) of the Act.
- [57] Lubbe NO and Others v Millenium Style (Pty) Ltd 2007
(6) SA 241 (SCA) para 2.
- [58] Jennifer Williams & Associates & Another v Life Line Southern Transvaal [1996] ZASCA 46;
1996
(3) SA 408 (A) at 418D-G.
- [59] Jennifer Williams supra at 418D/G.
- [60] Cochrane Steel Products (Pty) Ltd v M-Systems Group [2017] ZASCA 189 at para13 and the
authorities cited therein, paras 14 and 22.
- [61] Stellenbosch Farmer's Winery Ltd v Stellenvale Winery (Pty) Ltd 1957 (4) SA 234 (C) at 240.
- [62] Adidas supra 1976 (1) SA 530 (T) at 540 A.
- [63] Red Bull GmbH v Rizo Inverstments (Pty) Ltd 2002 BIP 319 T at 325H-326A.
- [64] Pioneer Foods supra at para [7].

- [65] Cochrane Steel Products (Pty) Ltd v M-Systems Group [2019] JOL 42326 (SCA) [13].
- [66] Cateram car Sales & Coachworks Ltd v Birkin Cars (Pty) Ltd
- [1998] 3 All SA 174 (A) at 181j..
- [67] Ibid 182a-e.
- [68] Cambridge Plan AG v Moore 1987
- (4) SA 821 (D) at 837 B-E, approved in Hollywood Curl (Pty) Ltd and Another v Twins Products (Pty) Ltd (1) 1989 (1) SA 236 (A) at 251 D-E.
- [69] Pioneer Foods (Pty) Ltd v Bothaville Milling (Pty) Ltd 2014 BIP 486 (SCA) at para 76.
- [70] Jennifer Williams supra.
- [71] Adcock-Ingram Products (Pty) Ltd v Beecham SA (Pty) Ltd 1977
- (4) SA 434 (W) at 436H-437C.
- [72] Red Bull supra at 323F.

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