

COMPANIES TRIBUNAL
REPUBLIC OF SOUTH AFRICA

Case: CT002DEC2016

In the matter between;

GROWTHPOINT PROPERTIES LIMITED

Applicant

Registration number 1987/004988/06

AND

GROWTHPOINT INVESTMENTS (PTY) LTD

Respondent

Registration number 2016/139898/07

DECISION (Reasons and Order)

Presiding Member of the Tribunal: Lucia Glass

1) This is an application in terms of Section 160 of the Companies Act 71 of 2008 (the Act) requesting a default order against the Respondent, in that the name of the respondent, GROWTHPOINT INVESTMENTS is confusingly similar or the same as a registered trade mark of the Applicant and thus it does not satisfy the requirements of section 11 of the Act and therefore the Respondent is to be ordered to choose a new name, in terms of Section 160 (3) (b)(ii) of the Act.

2) This application was properly served on the Respondent on the 13th December 2016 at the principal place of business of the Respondent. I am consequently satisfied that the Respondent's lack of participation in these proceedings is not due to lack of service.

3) The Deponent to the Applicant's papers is Roland Krabbenhoft, who avers that he is the Company Secretary of the Applicant and is duly authorised to make the affidavit on behalf of the Applicant by virtue of the board resolution which is attached to the papers.

4) It is averred that the Applicant is the registered owner of the various trademarks, with the name GROWTHPOINT, in various classes. The details of the Applicant's trade mark registrations are attached to his affidavit.

5) The Applicant objects to the registration of the Respondent's name GROWTHPOINT, based on section 11 (2) (c) (i) in that the Respondent's name is the same as or confusingly similar to its registered trademarks and as such it would reasonably mislead a person to believe incorrectly, that it is part of, or associated with, the Applicant.

6) The Applicant requests the Tribunal to order the Respondent to change its name GROWTHPOINT to a name which does not incorporate the Applicant's trademarks GROWTHPOINT or which is not identical or confusingly similar to the Applicant's trademarks.

APPLICABLE LAW

Section 11 (2) (a) and (b) of the Act

7) This section is primarily about protection against infringement of a registered company name or trademark, and reads as follows:

"Sec 11 (2) *The name of a company must—*

(a) not be the same as, or confusingly similar to—

(i) the name of another company, registered external company, close corporation or co-operative unless the company forms part of a group of companies using similar names;

(ii) a name registered for the use of a person as a business name in terms of the Business Names Act, 1960 (Act No. 27 of 1960);

(iii) a registered trade mark belonging to a person other than the company, or a mark in respect of which an application has been filed in the Republic for registration as a trade mark or a well-known trade mark as contemplated in section 35 of the Trade Marks Act, 1993 (Act No. 194 of 1993); or

(iv) a mark, word or expression the use of which is restricted or protected in terms of the Merchandise Marks Act, 1941 (Act No. 17 of 1941), except to the extent permitted by or in terms of that Act;

(b) not falsely imply or suggest, or be such as would reasonably mislead a person to believe incorrectly, that the company—

(i) is part of, or associated with, any other person or entity;

(ii) is an organ of state or a court, or is operated, sponsored, supported or endorsed by the State or by any organ of state or a court;

(iii) is owned, managed or conducted by a person or persons having any particular educational designation or who is a regulated person or entity;

(iv) is owned, operated, sponsored, supported or endorsed by, or enjoys the patronage of, any—

(aa) foreign state, head of state, head of government, government or administration or any department of such a government or administration; or (bb) international organisation;"

8) **The Applicant seeks remedies in terms of Section 160 which reads as follows:**

"Part B

Rights to seek specific remedies

Disputes concerning reservation or registration of company names.

Section 160. (1) A person to whom a notice is delivered in terms of section 12(3) or section 14(3) or any other person with an interest in the name of a company, may apply to the Companies Tribunal in the prescribed manner and form for a determination whether the name satisfies the requirements of section 11.

(2) An application in terms of subsection (1) may be made—

(a) within three months after the date of a notice contemplated in subsection (1), if the applicant received such a notice; or

(b) on good cause shown at any time after the date of the reservation or registration of the name that is the subject of the application, in any other case.

(3) After considering an application made in terms of subsection (1), and any submissions by the applicant and any other person with an interest in the name or proposed name that is the subject of the application, the Companies Tribunal—

(a) must make a determination whether that name satisfies the requirements of section 11; and

(b) may make an administrative order directing—

(i) the Commission to—

(aa) reserve a contested name for the applicant in terms of section 12;

(bb) register the contested name, or amended name as the name of a company; or

(cc) cancel a reservation granted in terms of section 12, if the reserved name has not been used by the person entitled to it; or

(ii) a company to choose a new name, and to file a notice of an amendment to its Memorandum of Incorporation, within a period and on any conditions that the Tribunal considers just, equitable and expedient in the circumstances, including a condition exempting the company from the requirement to pay the prescribed fee for filing the notice of amendment contemplated in this paragraph."

9) Section 11 of the Act has clarified any possible ambiguity by stating in plain words that a name which is 'the same as' or is 'confusingly similar' to a registered trade mark offends against the provisions of the Companies Act. It follows that if the Tribunal finds that the names are the same as or confusingly similar in terms of basic principles of confusing similarity, the Respondent is to be ordered to change its name.

10) In 2001 the court held the view: ¹ *"the decision involves a value judgment and that the ultimate test is whether, on a comparison of the two marks it can properly be said that there is a reasonable likelihood of confusion if both marks are to be used together in a normal and fair manner, in the ordinary course of business".*

¹ COWBELL AG V ICS HOLDINGS 2001 (3) SA 941 (SCA)

Evaluation

11) The Companies Tribunal must make a determination whether the name satisfies the requirements of Sec 11 (2) (iii) of the Act, which states

'The name of a company must—

(a) not be the same as, or confusingly similar to—

(iii) a registered trade mark belonging to a person other than the company, or a mark in respect of which an application has been filed in the Republic for registration as a trade mark or a well-known trade mark as contemplated in section 35 of the Trade Marks Act, 1993 (Act No. 194 of 1993);'

12) There is no doubt in my mind that the name of the Respondent is the same as the Applicant's trademarks.

Findings

13) I am convinced that, if the two names are compared, it can properly be said that there is a reasonable likelihood of confusion if both names are to be used together in a normal and fair manner, in the ordinary course of business, as the names are the same.

ORDER

I proceed to make an order in the following terms;

- a) The Respondent is directed to change its name to one which does not incorporate and is not confusingly and/or deceptively similar to its GROWTHPOINT trademarks.
- b) The Respondent file a notice of an amendment of its Memorandum of Incorporation, within 60 days of receipt of this order.
- c) The Respondent is hereby exempted from the requirement to pay the prescribed fee for filing the notice of amendment contemplated in this paragraph.
- d) This determination must be served on the Applicant, Respondent and the Registrar of Close Corporations of the Companies and Intellectual Property Commission.
- e) Any other person with an interest in the name that is the subject of this application may, within twenty (20) business days after receiving the notice of this determination and administrative order, apply to a court to review the determination.

f) In the event that the Respondent fails to comply with the order set out in 1 above within 60 business days from the date of the order, that the Companies and Intellectual Property Commission be directed in terms of section 1603)(b)(ii) read with section 14 (2) of the Act to change the Respondent's name to 2016/139898/07 (Pty) Ltd as the Respondent's interim name on the CIPC register.

LUCIA GLASS

(MEMBER OF COMPANIES TRIBUNAL OF SOUTH AFRICA)

Dated this 15.2.17