



IN THE COMPANIES TRIBUNAL OF SOUTH AFRICA

Case No: CT01496ADJ2023

In the matter between:

RIAAN MANS

APPLICANT

and

**COMPANIES AND INTELLECTUAL PROPERTY
COMMISSION (CIPC)**

RESPONDENT

Presiding Member of the Companies Tribunal: MINAH TONG-MONGALO

Date of Decision: 28 SEPTEMBER 2023

DECISION (Reasons and an Order)

1. INTRODUCTION

- 1.1. The Applicant is Mr. Riaan Mans.
- 1.2. The Respondent is the Companies and Intellectual Property Commission ("CIPC), a juristic person established in terms of s185(1) of the Act.
- 1.3. This is a review application requesting the Companies Tribunal ('the Tribunal' to:

- 1.3.1. Set aside the Respondent's decision to reject the reservation of the name "URBN AUTO PRETORIA" because it is confusingly similar to "URBN AUTO" and "URBN AUTO ELECTRICAL".
- 1.3.2. Direct the Respondent to reserve and register the proposed name "URBN AUTO PRETORIA".

2. BACKGROUND

- 2.1. The Applicant intends to register a corporation under the name "URBN AUTO PRETORIA". On 29 August 2023, the Respondent notified the Applicant of its decision not to reserve the name (tracking number 9393388325).
- 2.2. On 8 September 2023, the Applicant served the Respondent through an email at Corporatelegalservices@cipc.co.za. The Respondent intends to abide by the Companies Tribunal's decision.
- 2.3. Jaques Heinrich Geyser is the sole director of URBN AUTO, registration number 2020/746960/07, registered on 25 September 2020. He is also the sole director of URBN AUTO ELECTRICAL'2020/878965/07, registered on 23 November 2020.

3. THE APPLICANT'S SUBMISSIONS

- 3.1. The Applicant has submitted an affidavit by Jaques Heinrich Geyser dated 1 September 2023 wherein he states that the businesses are in the process of being sold and has no objection to the Applicant using the name "URBN AUTO PRETORIA". Geyser further asserts that the registration of such names will not cause any prejudice to them.
- 3.2. Consequently, the Applicant submits that the Respondent must register the name "URBN AUTO PRETORIA".

4. APPLICABLE LAW

- 4.1. **Section 11** of the Act provides as follows: "11. **Criteria for names of companies.** —

(1)... ..

(2) *The name of a company must— (a) not be the same as—*

(i) the name of another company, domesticated company, registered external company, close corporation or co-operative;

...

(b) not be confusingly similar to a name, trademark, mark, word or expression contemplated in paragraph (a) unless—

(i) in the case of names referred to in paragraph (a) (i), each company bearing any such similar name is a member of the same group of companies; ...

(c) 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;”

4.2. Section 12 (2) provides: The Respondent must reserve each name as applied for in the name of the applicant, unless-

(a) the applicant is prohibited, in terms of section 11(2)(a), from using the name applied for; or

(b) the name as applied for is already reserved in terms of this section.

4.3. Section 12 (3) states that if there are reasonable grounds for considering that the name may be inconsistent with the requirements of-

(a) section 11(2)(b) or (c), -

(i) The Respondent, by written notice, may require the applicant to serve a copy of the application and name reservation on any particular person, or class of persons, named in the notice on the grounds that the person or persons may have an interest in the use of the name that has been reserved for the applicant.

4.4. Section 195 (7) provides that a decision by the Companies Tribunal with respect to a decision of, or a notice or order issued by, the Respondent is binding on the Respondent, subject to any review by, or appeal to, a court.

4.5. **Companies Regulation 153** of 2011 provides for default orders:

4.5.1. *If a person served with an initiating document has not filed a response*

within the prescribed period, the initiating party may apply to have the order, as applied for, issued against that person by the Tribunal.

5. EVALUATION

- 5.1. “URBN AUTO” is reserved on the Respondent’s database under tracking number 9304638040, which is dissimilar to the Applicant’s tracking number 9393388325.
- 5.2. Several companies are registered on the Respondent’s register incorporating the name “URBN”. Amongst others, URBN BASKETS with Registration number 2016/193906/07 and URBN GIFTS registration 2020/150308/07.
- 5.3. Moreover, “URBN PACKAGING” registration number 2021/965093/07 was registered on 27 October 2021, after URBN AUTO ELECTRICAL registration number 2020/878965/07 and URBN AUTO, registration number 2020/746960/07 were registered.
- 5.4. It is unclear how the Respondent decided that “URBN AUTO PRETORIA” are undesirable. Yet, the names such as “URBN AUTO”, “URBN CHC”, and “URBN DESIGNS” are desirable enough for the Respondent to reserve them on the database.
- 5.5. “Similar” means the name in question has “a marked resemblance or likeness” to that of the Applicant. The offending name should immediately bring to mind the well-known trade mark or name.¹ The test for “confusingly similar” is, as in the case of passing-off: “...a reasonable likelihood that ordinary members of the public, or a substantial section thereof, may be confused or deceived into believing that the goods or merchandise of the former are the goods or merchandise of the latter or are connected therewith. The names must be so alike such that it may confuse the “ordinary reasonable careful man, i.e., not

¹ Bata Ltd v Face Fashions CC 2001 (1) SA 844 (SCA)

the very careful man nor the very careless man.”² The said “reasonable man” is “the class of persons who are likely to be the purchasers of the goods in question”³

- 5.6. Whether there is such a reasonable likelihood of confusion or deception is a question of fact to be determined considering the particular circumstances of the case.”⁴
- 5.7. The Constitutional Court said that the '[t]he question to be asked is whether, looking at the facts as a whole, and analysing them in their specific context, an independent observer who is sensitive to both the free speech of the Constitution and the property protection objectives of trademark law, would say that the harm done by the parody to the property interests of the trademark owner outweighs the free speech interests involved. The balancing of interests must be based on the evidence on record, supplemented by such knowledge of how the world works as every judge may be presumed to have.’⁵ '[T]he 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.’⁶
- 5.8. The Act empowers the Respondent in S 12 (2) to deny the name reservation only if the name is prohibited in terms of S 11 (2) (a) or the proposed name is already reserved. *In casu*, this is not the case.
- 5.9. In the event that the Respondent is of the view that the proposed name contradicts section 11 (2) (b), that is, it may be confusingly similar, or it contradicts section 11 (2) (c), that is, the proposed name may falsely imply or

² Link Estates (Pty) Ltd v Rink Estates (Pty) Ltd 1979 (2) SA 276 (E) at 280. In Cape Town Lodge CC v Registrar of Close Corporations and another [2008] 2 All SA 34 (C) 38 the court found that travellers were unlikely to think that Cape Town Lodge was part of the City Lodge.

³ Reckitt & Colman SA (Pty) Ltd v SC Johnson & Son SA (Pty) Ltd 1993 (2) SA 307 (A) at 315F-G.

⁴ Adidas AG & another v Pepkor Retail Limited (187/12) [2013] ZASCA 3 (28 February 2013) para 28; Capital Estate and General Agencies (Pty) Ltd and Others v Holiday Inns Inc. and Others 1977 (2) SA 916 (A) at 929.

⁵ Laugh It Off Promotions Cc V Sab International (Finance) Bv T/A Sabmark International (Freedom of Expression Institute as Amicus Curiae) 2006 (1) Sa 144 (Cc) Para 82.

⁶ Cowbell AG v ICS Holdings 2001 (3) SA 941 (SCA).

suggest a non-existent association, amongst others, the Respondent may direct the Applicant to notify the affected parties. Instead of doing so, the Respondent rejected the name reservation.

5.10. The name “URBN AUTO PRETORIA” is undesirable because several companies incorporate the name “URBN”. Therefore, I cannot direct the Respondent to register the name “URBN AUTO PRETORIA”.

5.11. While I disagree that it is desirable to register the name “URBN AUTO PRETORIA”, the Respondent must manage the name registration more efficiently to avoid these inconsistencies.

6. FINDINGS

6.1. The proposed name, “URBN AUTO PRETORIA”, is not undesirable as per section 11 of the Act.

7. ORDER

7.1. The application is dismissed.

7.2. There is no order of costs.

MINAH TONG-MONGALO