

**Professional Provident Society of South Africa v P.P.I. Makelaars and another**  
**[1996] 2 All SA 206 (W)**

**Division:** Witwatersrand Local Division  
**Date:** 20 December 1995  
**Case No:** 17226/95  
**Before:** Roux J  
**Sourced by:** RL Selvan SC and EM Patel

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*Civil procedure - Jurisdiction - Interpretation of section 1(1) of the Trade Marks Act [194 of 1993](#) - Divisions of the Supreme Court other than the Transvaal Provincial*

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*Division have jurisdiction to hear infringement matters subject to one or more traditional grounds of jurisdiction being present.*

*Trade marks - Infringement of - Jurisdiction of Supreme Court to hear disputes - Interpretation of section 1(1) of the Trade Marks Act [194 of 1993](#) - Supreme Court divisions other than the Transvaal Provincial Division have jurisdiction to hear infringement matters subject to one or more traditional grounds of jurisdiction being present.*

**Editor's Summary**

The Applicant was a society of professional bodies and provided life assurance and medical aid to its members. There were many authorised independent agents who marketed the Applicant's product. The Respondent was a short-term insurance broker. The Respondent used a trade mark which very closely resembled that of the Applicant. Correspondence between the parties resulted in the Respondent re-designing the logo. The Applicant contended that the new logo still resembled its trade mark and sought an interdict preventing the Respondent from infringing its rights in respect of its registered trade mark and restraining the Respondent from passing-off its services as those of the Applicant. The issue before the Court was whether the Respondent's new logo was likely to deceive or cause confusion.

The Respondent also raised a preliminary point that the Court did not have jurisdiction to hear the matter as section 1(1) of the Trade Marks Act [194 of 1993](#) granted exclusive jurisdiction to the Transvaal Provincial Division to hear infringement matters; the Respondent argued that all other divisions of the Supreme Court could only hear matters relating to the removal, amendment or variation of registered trade marks or any other relief affecting any entry in the register.

**Held** - Applying the presumption that the legislature did not intend absurdities as well as the presumption against an interpretation that would oust the jurisdiction of the Supreme Court, the Court rejected the Respondent's argument with regard to jurisdiction. The Court considered the relevant provisions of the Trade Marks Act and summarised the legal position as follows: (a) any division of the Supreme Court had jurisdiction to hear an infringement action, subject to one or more of the traditional grounds of jurisdiction being present; (b) the Transvaal Provincial Division had exclusive jurisdiction in respect of the matters mentioned in [sections 53](#) and [57](#) notwithstanding an infringement action in some other division; (c) if matters mentioned in [sections 16\(5\)](#), [24](#), [26](#) and [27](#) were brought as independent applications, the Transvaal Provincial Division had exclusive jurisdiction; and (d) if matters mentioned in [section 16\(5\)](#), [24](#), [26](#) and [27](#) arose in infringement proceedings, the court having jurisdiction to hear the infringement action had concurrent jurisdiction with the Transvaal Provincial Division.

In the instant case, the parties were resident within the jurisdiction of the Court and the alleged infringement had also occurred within its jurisdiction. The Court accordingly held that it had jurisdiction to hear the matter and the Respondent's preliminary objection was dismissed.

On the facts of the case, the Court held that the Respondent's logo would cause deception and confusion, and granted the interdict with costs including the costs of employing two counsel.

**Notes**

For Jurisdiction, see *LAWSA* (Vol 11, paragraphs 392-545)

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For Trade Marks, see *LAWSA* (Vol 29)

For the Trade Marks Act [194 of 1993](#), see *Butterworths Statutes of South Africa* 1996 (Vol 1)

**Cases referred to in judgment**

*De Wet v Deetleefs* 1928 AD 286

*Plascon-Evans Paints v Van Riebeeck Paints* [1984 \(3\) SA 623](#) (A)

*Spier Estate v Die Bergkelder Bpk and Another* [1988 \(1\) SA 94](#) (C)

*Sportshoe (Pty) Ltd v Pep Stores (SA) (Pty) Ltd* [1990 \(1\) SA 722](#) (A)

*Veneta Mineraria Spa v Carolina Collieries (Pty) Ltd (in Liquidation)* [1987 \(4\) SA 883](#) (A)

## Judgment

### ROUX J

The relief sought is an interdict restraining the respondents from infringing the applicant's rights in Trade Mark Registration Numbers 89/8359 and 89/8658 for the mark "P.P.S." in Class 36 in terms of the provisions of [section 34\(1\)\(a\), \(b\), \(c\)](#) of the Trade Marks Act, No. 194 of 1993 (to which I will refer as "the Act"). The applicant also seeks relief restraining the respondents from passing off his services as, and for, those of the applicant.

The second respondent is the sole proprietor of the first respondent. They are indeed the same entity and I will simply refer to them collectively as "the respondent".

It is the respondent's preliminary argument that this Court, the Witwatersrand Local Division, has no jurisdiction to hear a matter wherein the cause of action is the infringement of rights in a trade mark.

It is a convenient starting point to refer to the provisions of the Trade Marks Act [No. 62 of 1993](#) (the "old Act"). The old Act was repealed in terms of section 71 of the Act.

In terms of [section 2](#) of the old Act "Court" was defined as:

"In relation to any matter means the division of the Supreme Court of South Africa having jurisdiction in respect of that matter".

Thus an infringement action could be heard by any division or local division of the Supreme Court of South Africa.

A problem often arose when, as a defence to an infringement action, a counter-claim seeking the rectification of the Trade Mark Register was raised. The register is kept in Pretoria. Such a counter-claim is, as regards the Registrar, one *in rem*. It was held that only the Transvaal Provincial Division, as the *forum rei sitae*, had jurisdiction. See for example *Spier Estate v Die Bergkelder Bpk and Another* [1988 \(1\) SA 94](#) (C).

This could result in considerable inconvenience to litigants and the courts. Confusion and uncertainty are not difficult to visualise. Further confusion was caused by the *obiter dictum* in *Sportshoe (Pty) Ltd v Pep Stores (SA) (Pty) Ltd* [1990 \(1\) SA 722](#) (A). At pages 726F to 727B the learned Judge of Appeal doubted the correctness of the judgment in the *Spier Estates* matter, *supra*. Whatever view is correct, the position was most unsatisfactory.

It is presumed that the legislature was aware of the situation and passed the Act to make matters certain. The result, however, is anything but satisfactory. "Court" is defined in section 1(1) of the Act as follows:

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"Court - means the Transvaal Provincial Division of the Supreme Court of South Africa, but in relation to any claim or counter-claim for removal, amendment or variation of, or other relief affecting any entry in the register arising from or forming part of proceedings instituted in any other Division of the said Supreme Court having jurisdiction in relation to the proceedings, includes that division in respect of such a claim or counter-claim."

Section 34 of the Act deals with the infringement of registered trade marks. Section 34(3) provides as follows:

"3. Where a trade mark registered in terms of this Act has been infringed, the court may grant the proprietor thereof the following relief, namely ...".

Counsel contended that the only court which may hear infringement matters is the court defined in section 1(1), namely the Transvaal Provincial Division.

The argument continues that the definition entails that all other divisions of the Supreme Court may hear claims or counter-claims relating to:

- (i) removal of registered trade marks;
- (ii) amendments of registered trade marks;
- (iii) variation of registered trade marks; or
- (iv) other relief affecting any entry in the register.

Because infringement is not mentioned it is excluded.

If this argument is correct absurd results follow. There are two presumptions which can be applied.

First, the legislature does not intend absurdities and, secondly, the general presumption against an interpretation that would oust the jurisdiction of the Supreme Court (see for example *De Wet v Deetleefs* 1928 AD 286 at 290).

I cannot accept the respondent's argument.

If reference is had to the definition it is clear that the removal, amendment or variation or other relief affecting an entry is contemplated as:

"... arising from or forming part of proceedings instituted in another division of the said Supreme Court having jurisdiction ..."

The "proceedings" referred to can only be infringement proceedings. It is implicit that all divisions have jurisdiction.

Other proceedings contemplated by the Act are those relating to registration (section 16(5)); rectification of the register (section 24); removal or variation (section 26); or removal (sections 26 and 27).

Disputes with the Registrar are those mentioned in section 53 and none of these can be said to "arise from proceedings". These I can refer to as independent causes of action over which the Transvaal Provincial Division has exclusive jurisdiction. The use of the word "claim" is not confusing, as argued. I can contemplate an applicant in infringement proceedings finding it necessary to seek relief affecting the register as a prerequisite or sensible step before claiming under section 34. He can join both in one application.

In my judgment, the object of the legislation was to avoid the impasse mentioned in the *Spier Estate* matter. Any division of the Supreme Court, having jurisdiction to hear an infringement matter, can now adjudicate upon any matter whether co-raised in convention or raised re-convention, which was previously held to be the exclusive function of the Transvaal Provincial Division.

The intention of the legislature, albeit badly expressed, can be summarised as follows:

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A. Any division or local division of the Supreme Court of South Africa has jurisdiction to hear an infringement action subject, of course, to one or more of the traditional grounds of jurisdiction being present. (*Veneta Mineraria Spa v Carolina Collieries (Pty) Ltd (in Liquidation)* [1987 \(4\) SA 883](#) (A).)

B. In those matters mentioned in Sections 53 and 57 of the Act the Transvaal Provincial Division has exclusive jurisdiction notwithstanding an infringement action in some other division.

C. In those matters mentioned in Sections 16(5), 24, 26 and 27, if they are independent applications, the Transvaal Provincial Division has exclusive jurisdiction.

D. If the matters mentioned in paragraph C above arise in infringement proceedings the court having jurisdiction to hear the infringement action has concurrent jurisdiction with the Transvaal Provincial Division.

In the present matter the parties are resident in the Witwatersrand Local Division. The alleged infringement also occurred within the jurisdiction of this Court. I conclude that this Court has jurisdiction to hear the matter and the respondent's preliminary objection is dismissed.

Neither counsel spent time during argument about the history of the matter. It is all contained in the papers and I will not repeat it herein, save what I consider to be relevant thereto.

The applicant is a society originally founded by members of the Dental Association. It has since blossomed and almost every body comprising professional persons is now a member. It provides services relating to life assurance and medical aid to members. At this stage 65 000 professional people are enrolled as members. There are about 4 500 authorised independent agents who market the applicant's product. It is obviously a sought-after agency.

The respondent operates on the West Rand as a short-term insurance broker. He is not one of the 4 500 authorised agents I have mentioned.

The applicant's trade mark and logo, herein of importance, is number 89/8658. It consists of two concentric circles. In the outer circle the words "Protection Providence" appear clockwise in the upper half. In the bottom half, appearing anti-clockwise, are the words "Beskerming Voorsorg". The words are printed in capital letters. In the inner circle the initials of the applicant, "P.P.S.", are printed in much bolder capitals.

The mark is not confined to any size or colour. However, the applicant has adopted a specific blue colour. The blue colour features on all reproductions of the logo wherever it is used. They also appear on all the many buildings which the applicant owns throughout the Republic.

During April 1993 the applicant became aware that the respondent was using a trade mark very similar to the applicant's logo. The respondent's logo also consisted of two concentric circles. In the outer circle the words, "Professional Personal Insurance" appear. They are printed in capitals and, size-wise, in the same proportion as the applicant's logo. In the inner circle the letters "P.P.I." are printed in bold capitals in the same proportions as used in the applicant's logo. Remarkably the same blue colour is used. I will refer to this logo as the "respondent's first logo".

It cannot be, nor was it, disputed that the respondent's first logo so closely resembles the applicant's logo that confusion would be inevitable.

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After April 1993 correspondence between the parties was exchanged. The respondent offered to design a new logo. Square and triangular motifs were produced but rejected by the first respondent for reasons I need not consider.

In an attempt to change his logo the respondent says:

"In the meanwhile the triangular motif and the square motif were both experimented on the letterheads of the first

respondent and it appeared to be in stark contrast with the general appearance of the letterhead and especially the fold-over flap of the letterheads which I refer to above. Both are geometric forms.

They do not fit in naturally in the space created by the folded overlap. The flap is the most distinctive part of the first respondent's letterhead, business cards and application forms and forms an integral part of the whole design. The triangular and square motifs were both hastily designed by me and some of my staff members. It is not final proofs and needed to be looked at by a specialist."

Whatever the respondent hoped to achieve he now uses an oval logo bounded by an ellipse. The letters "P.P.I." are prominent in the oval in the same proportions as before and as used in the applicant's logo. The words printed are "Professional Personal Service". They are now printed below the letters "P.P.S.". Again the same blue colour is used.

Section 34(1) of the Act provides as follows:

"34 (1) The rights acquired by registration of a mark shall be infringed by -

- (a) the unauthorised use in the course of trade in relation to goods or services in respect of which 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) the unauthorised use of a mark which is identical or similar to the trade mark registered, in the course of trade in relation to goods or services which are so similar to the goods or services in respect of which the trade mark is registered, that in such use there exists the likelihood of deception or confusion;
- (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)."

There is no doubt that the respondent uses his present mark in the course of trade in relation to services in respect of which the applicant's mark is registered. The respondent's first logo still appears on papers which he uses, on his own admission, as scrap paper.

The question is whether the respondent's present logo is likely to deceive or cause confusion. The test to be applied has been stated on numerous occasions. The most compelling and authoritative is that stated by the Appellate Division in *Plascon-Evans Paints v Van Riebeeck Paints* [1984 \(3\) SA 623](#) (A) at 640. Corbett JA says the following:

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"In an infringement action the onus is on the plaintiff to show the probability or likelihood of deception or confusion. It is not incumbent upon the plaintiff to show that every person interested or concerned (usually the customer) in the class of goods for which his trade mark has been registered would probably be deceived or confused. It is sufficient if the probabilities establish that a substantial number of such persons will be deceived or confused. The concept of deception or confusion is not limited to inducing in the mind of the interested persons the erroneous belief or impression that the goods in relation to which the defendant's mark is used are the goods of the proprietor of the registered mark, that is the plaintiff, or that there is a material connection between the defendant's goods and the proprietor of the registered mark. It is enough for the plaintiff to show that a substantial number of persons will probably be confused as to the origin of the goods or the existence, or non-existence, of such connection.

The determination of these questions involves essentially a comparison between the mark used by the defendant and the registered mark, and, having regard to the similarities and differences in the two marks, an assessment of the impact which the defendant's mark would make upon the average type of customer who would be likely to purchase the kind of goods to which the marks are applied. This notional customer must be conceived as a person of average intelligence, having proper eyesight and buying with ordinary caution. A comparison must be made with reference to the sense, sound and appearance of the marks. The marks must be viewed as they would be encountered in the market place and against the background of relevant surrounding circumstances. The marks must not only be considered side by side but also separately. It must be borne in mind that the ordinary purchaser may encounter goods, bearing the defendant's mark, with an imperfect recollection of the registered mark and due allowance must be made for this. If each of the marks contains a main or dominant feature or idea the likely impact made by this on the mind of the customer must be taken into account. As it has been put, marks are remembered rather by general impressions or by some significant or striking feature than by a photographic recollection of the whole. And finally consideration must be given to the manner in which the marks are likely to be employed as, for example, the use of name marks in conjunction with a generic description of the goods."

Applying these tests I have no hesitation in holding that the applicant has succeeded in proving that the respondent's logo will cause deception and confusion. I am not impressed by counsel's argument that there are several different features of the two marks. That has nothing to do with the test to be applied.

It was also suggested that only professional men would be those to be misled by the respondent's logo. As such, professional men are not easily misled. That is a fiction. In any event, professional men also seek short-term insurance and they could be misled into thinking that the respondent was a duly authorised agent of the applicant.

Counsel for the applicant elected to seek a permanent interdict. The applicant's clear right flows from the registration of the mark. The respondent's use of the applicant's mark proves the second requirement, namely infringement of the clear right. There is no other adequate remedy available to the applicant.

Further, only an order in terms of prayer 1(1) was sought. In the result an order will issue:

1. In terms of prayers 1 and 1(1) of the notice of motion.
2. The respondent is ordered to pay the costs of this application, including those consequent upon the employment of two counsel.

For the applicant:

*CE Puckrin SC and JN Cullabine* instructed by *DM Kisch Inc*, Johannesburg

For the respondent:

*LG Bowman SC and JJ Roestorf* instructed by *Swart Redelinghuys, Nel en Vennote Ingelyf*, Krugersdorp