16 February 1991

584/90

G.P.-S. 3-00117

I 219

Saak No.
Case No. 584/90

IN DIE HOOGGEREGSHOF VAN SUID-AFRIKA
IN THE SUPREME COURT OF SOUTH AFRICA

S/R

(Appellate Afdeling)
Division)

APPÈLSAAK : APPEAL CASE

Royal Beech-Nut (PTY) Limited t/a Manhattan Confectioners
Appellant

teen/versus

United Tabacco Company Limited t/a Willards Foods
Respondent

Mrs La Muck 11:28 90/6/12 — Mrs Buchner 11:35 90/6/12

Prokureur van Appellant
Appellant's Attorney: Israel & Sackstein

Prokureur van Respondent
Respondent's Attorney: Honey & Partners

Advokaat van Appellant
Appellant's Advocate: P E Pucker SC

Advokaat van Respondent
Respondent's Advocate: B R Southwood SC

Op die rol geplaas vir verhoor op
Set down for hearing on: 11/5/92 1. 6. 9. 14. 16

TPA ER

Coram: Corbett CJ, Hefer, Nestadt, Goldstone, JJA, et Kriegler AJA;

Advocates
Appellant P E Pucker
10:45 - 11:00
11:15 - 11:34

Respondent B R Southwood
11:35 - 12:22

CAU

Reply P E Pucker
12:22 - 12:46

UITSPRAAK HOF 1 - 9:00
1992/06/03 - WOENSDAG - CORBETT, HR

Case No 584/90

IN THE SUPREME COURT OF SOUTH AFRICA
(APPELLATE DIVISION)

In the matter between:

ROYAL BEECH-NUT (PROPRIETARY) LIMITED
t/a MANHATTAN CONFECTIONERS..... Appellant

and

UNITED TOBACCO COMPANY LIMITED
t/a WILLARDS FOODS.....Respondent

CORAM: Corbett CJ, Hefer, Nestadt, Goldstone JJA
et Nicholas AJA.

DATE OF HEARING: 11 May 1992

DATE OF JUDGMENT: 3 June 1992.

J U D G M E N T

CORBETT CJ/.....

IN THE SUPREME COURT OF SOUTH AFRICA
[APPELLATE DIVISION]

Case No : 15064/89

Case No : A/329/90

In the matter between:

ROYAL BEECH-NUT (PROPRIETARY) LIMITED
MANHATTAN CONFECTIONERS

Appellant
[Applicant in the Court a quo]

and

UNITED TOBACCO COMPANY LIMITED
t/a WILLARDS FOODS

Respondent
[Respondent in the Court a quo]

RECORD OF APPEAL

AGAINST THE WHOLE OF THE JUDGMENT AND ORDER DELIVERED BY HIS LORDSHIP MR JUSTICE B R DU PLESSIS IN THE SUPREME COURT OF SOUTH AFRICA [TRANSVAAL PROVINCIAL DIVISION] ON THE 5TH DAY OF JULY 1990

ATTORNEYS FOR APPELLANT

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AND

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AND

Honey & Partners
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Cnr Aliwal / St Andrew's Streets
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Tel : [051] 47-9191
Ref : Mr D P Honey

VOLUME 4

IN THE SUPREME COURT OF SOUTH AFRICA

(TRANSVAAL PROVINCIAL DIVISION)

PRETORIA

1990-08-22

DELETE WHICHEVER IS NOT APPLICABLE

(1) REPORTABLE: YES/NO.

(2) OF INTEREST TO OTHER JUDGES: YES/NO.

(3) REVISED.

DATE 14/9/90 SIGNATURE

In the matter between:

ROYAL BEECH-NUT (PROPRIETARY) LIMITED

t/as MANHATTAN CONFECTIONERS Applicant

versus

UNITED TOBACCO COMPANY LIMITED

t/as WILLARDS FOODS Respondent

J U D G M E N T

DU PLESSIS, J: This is an application for leave to appeal. Because in argument in support of the application, stress was again laid upon the fact that the applicant relies not only on passing off properly so-called, but also upon what he has termed "bedekte aanleuning" I deem it necessary to briefly again state the case of the applicant as it appears from the papers.

The case of the applicant as set out in the founding affidavit, was as follows: It manufactures marshmallows, gum-type confectionary and liquorice. In marketing these products it has for a considerable period been using the trade mark Manhattan. It enjoys a considerable reputation in the trade mark and has used it not only on its products, but also

in/...

in promotional material and in radio promotions. The get-up of its products differ considerably and its reputation does rest in the word Manhattan rather than in the word used in relation to a particular get-up. The reputation, the applicant alleges, is not only enjoyed in the field of confectionary, but in the entire so-called 'impulse food' market. Its confectionary, the applicant says, are impulse food.

The respondent using the trade mark Manhattans, is manufacturing and marketing a potato-chips product. This, (10) the applicant alleges infringes its rights. Although the respondents style of printing the word Manhattans is somewhat similar to that used by the applicant, "the main source of complaint of the applicant is the fact that the respondent has misappropriated the well-known Manhattan trademark by using Manhattans in relation to its potato-chips." The use of the Manhattans trade mark in relation to potato-chips will lead to confusion and the respondent's chips will be associated with the applicant or its products.

The applicant thus had to prove that the mere use of the (20) name Manhattans by the respondent would create confusion. It was not relying on any similarity in get-up or on the fact that the respondent was audially reproducing the trademark in a manner that would cause deception.

To establish what it sought to, the applicant relied upon no more than the similarity, it might even be termed virtual identity, in the two words; the somewhat vague similarity in printing styles used in the parties' respective trade marks, and the allegation that respondents potato-chips are also impulse food. (30)

In argument the applicant's counsel did not at the 332
hearing, nor during argument in support of this application, place much reliance upon the similarity in printing styles. This is so for the obvious reason that the similarity extends no further than that, in the respondent's trade mark, elongated letters are also made use of to print the middle letters of the word Manhattans. This similarity is paled ~~(inaudible)~~ into insignificance by the numerous dissimilarities in printing style that has been pointed out in the judgment and which are apparent when looking at the (10) respective trademarks.

As to the allegation that both parties' products are impulse food it has been submitted that another court might reasonably come to the conclusion that there exists no genuine dispute of fact in respect thereof, and that this court should therefore have held that the respondent's potato-chips are in fact impulse food. It was submitted that common sense dictates that the potato-chips are impulse food. That in my view is not so, and I am of the view that another court would not reasonably come to a different conclusion. Assuming that (20) the term "impulse food" is so notorious as to enable a court to define its ambits, I am of the view that another court would not in the face of direct evidence to the contrary, accept that the respondent's chips are impulse food.

In the initial judgment several factors which distinguish the respondent's product from those of the applicant have been pointed out. I am of the view that another court will not reasonably come to the conclusion that those features are not distinguishing.

This leaves the applicant with a burden of convincing a (30)

court/...

court of appeal that distinguishing features notwithstanding the respondent may not use the word Manhattans as a trade mark at all. The applicant does not have a registered trademark, nor did it establish or seek to establish that the right to be protected is a right to the exclusive use of the word Manhattan as a trademark. Given the fact that Manhattan is the name of a well-known place I am of the view that a court of appeal will not reasonably come to the conclusion that the applicant enjoys any exclusive rights in the use of the name.

The notice of application for leave to appeal, deals as far as it has not already have been dealt with, with further factual findings and with a portion of the costs order made by this court. Suffice it to say that I am of the view that another court will not reasonably come to a different conclusion on the facts. That the costs order, being discretionary, should not in itself, and in the absence of any alleged misdirection, afford a ground of appeal.

THE APPLICATION FOR LEAVE TO APPEAL IS THEREFORE DISMISSED WITH COSTS.

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