



**THE SUPREME COURT OF APPEAL OF SOUTH AFRICA
JUDGMENT**

Not Reportable
Case no: 759/2023

In the matter between:

CASADOBE PROPS 60 (PTY) LTD

APPELLANT

and

FRATELLI MARTINI SECONDO LUIGI SpA

RESPONDENT

Neutral citation: *Casadobe Props 60 (Pty) Ltd v Fratelli Martini Secondo
Luigi SpA* (Case no 759/2023) [2025] ZASCA 14
(25 February 2025)

Coram: DAMBUZA, MOKGOHLOA and NICHOLLS JJA and DOLAMO
and NAIDOO AJJA

Heard: 13 September 2024

Delivered: 25 February 2025

Summary: Trade Mark – opposition to the registration of a trade mark in reliance upon s 10(14) of the Trade Marks Act 194 of 1993 – whether the trade marks are confusingly or deceptively similar – improbable that the public would be deceived or confused.

ORDER

On appeal from: Western Cape Division of the High Court, Cape Town (Nyati AJ sitting as court of first instance):

- 1 The appeal is upheld with costs, including the costs of two counsel.
- 2 The order of the high court is set aside and replaced with the following:
‘The application is dismissed with costs.’

JUDGMENT

Mokgohloa JA (Dambuza and Nicholls JJA and Dolamo and Naidoo AJJA concurring):

[1] The appellant, Casadobe Props 60 (Pty) Ltd, (Casadobe), appeals a decision of the Western Cape Division of the High Court (the high court), which granted the respondent, Fratelli Martini Secondo Luigi SpA (Fratelli), an interdict restraining Casadobe from infringing Fratelli’s rights acquired by the registration of the Trade Mark No 2012/08843 CANTI in class 33, by using the mark CANTO or any other mark nearly resembling or so similar thereto as to be likely to cause deception or confusion in terms of s 34(1)(a) of the Trade Marks Act 194 of 1993 (the Act) in the course of trade and in relation to wines and sparkling wines. The appeal is with leave of this Court.

[2] The issue in this appeal is whether the trade mark is likely to confuse or deceive as contemplated in s 10(14) of the Act. This section provides:

‘10 Unregistrable trade marks.-

The following marks shall not be registered as trade marks or, if registered, shall, subject to the provisions of section 3 and 70, be liable to be removed from the register:

...

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 or so 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.’

The facts

[3] Casadobe is a South African company which owns and operates the Canto Wines boutique wine estate in the Durbanville wine valley, Western Cape. It uses the unregistered trade mark CANTO to market its wine. Fratelli is an Italian company with its principal place of business in Cossano Belbo, Italy. It is the registered proprietor of a South African trade mark registration number 2012/08843 CANTI in class 33 wines and sparkling wines.

[4] In April 2015, Casadobe conducted a trade mark search for CANTO in relation to wine. The search revealed ‘various’ cases in class 33 but the Registrar of Trade Marks did not regard the numerous trade marks incorporating CANT as relevant. Fratelli’s registration of CANTI was not cited. Based on this, and on 24 April 2020, Casadobe proceeded with its application for registration of the mark CANTO in various classes including class 33 under registration number 2015/10717. During the examination of Casadobe’s application for registration

of its CANTO mark, the Registrar of Trademarks only cited trade mark registration number 2007/00570 in class 33.

[5] The other trade mark applications which have been filed in class 33 at the trade mark's registry incorporating CANT included CANTANA, CANTON, CANTI and CLUB DE CANTINEROS. These trade marks co-exist on the registry. There are two further trade mark applications including the letters CANT which had been advertised by the Registrar of Trademarks.

[6] The trade mark search further revealed older trade mark registrations in class 33 which included the letters CANT but which had expired due to non-payment of renewal fees. These included CANTAMELO, CANTEVAL and CANTORI, which co-existed with CANTATA, CANTON, CANTI, CLUB DE CANTINEROS, DE CANTATA and CANTULA.

[7] In granting the interdict, the high court found that the trade marks CANTO and CANTI are visually, aurally and conceptually similar. It considered that both trade marks consist of five letters with the first four letters overlapping directly, and they have syllables CAN-TO and CAN-TI which look and sound the same. Another similarity that the high court found was that the trade marks have a similar meaning which is associated with a song or the act of singing. Consequently, the high court held that the single letter difference of the single letters 'O' and 'I' did not sufficiently distinguish the trade marks from each other and that there was therefore a high likelihood that the marks may confuse customers.

In this Court

[8] Section 10(14) of the Act prohibits registration of, amongst others, a mark that is so similar to a registered mark that the use thereof in relation to the goods or services in respect of which it is sought to be registered, which are the same or similar to the goods or services in respect of which the opponent's mark is registered, 'would be likely to deceive or cause confusion'.

[9] In considering whether the use of the appellant's trade mark is likely to deceive or cause confusion, this Court in *Cowbell AG v ICS Holdings Ltd*¹ held that the essential function of the trade mark is to indicate the origin of the goods in connection with which it is used. The decision whether there is a reasonable likelihood of confusion is a value judgment. In *Orange Brand Services Limited v Account Works Software (Pty) Ltd (Orange Brand)*² it was stated that in opposition proceedings the question that falls to be decided is not how the parties use or intend to use their marks, but how they would be entitled to use them if both of them are registered; that is, how they might notionally be used.

[10] In *Orange Brand*, this Court, citing the authors of Kerly's Law of Trade Marks and Trade Names,³ pointed out that the question of whether there is likelihood of confusion or deception is a question of fact and that decided cases in relation to other facts are of little assistance, save insofar as they lay down any general principle. In *Roodezandt Ko-operatiewe Wynmakery Ltd v Robertson Winery (Pty) Ltd & Another*⁴ this Court elaborated on the meaning of the value

¹ *Cowbell AG v ICS Holdings Ltd* 2001 (3) SA 941 (SCA); [2001] 4 All SA 242 (A) para 10.

² *Orange Brand Services Limited v Account Works Software (Pty) Ltd* [2013] ZASCA 158. (SCA); 2013 JDR 2750 (SCA) para 6.

³ David Kitchin et al *Kerly's Law of Trade Marks and Trade Names* 14 ed (2011) para 17 – 023.

⁴ *Roodezandt Ko-operatiewe Wynmakery Ltd v Robertson Winery (Pty) Ltd & Another* [2014] ZASCA 173; 2014 JDR 2452 (SCA).

judgment to be made, in the context of an application to remove a trade mark from the register as follows:

‘Considerations that could assist in the exercise of this value judgment have been proposed in numerous decided cases. One of these cases is *Laboratoire Lachartre SA v Armour-Dial Incorporated* 1976 (2) SA 744 (T) in which Colman J sounded the following note of caution (at 746B-E):

“We have had ample time for full consideration and close comparison of the two trademarks with which we are concerned. These advantages, however, carry their own dangers. They have caused us to look at the trademarks with far greater care than they would be looked at by the members of the public whose probable reactions we are required to assess, and with a far keener awareness of similarities and dissimilarities than such people would probably have as they go about their daily lives.

What we have now to do is, therefore, to transport ourselves, notionally, from the court-room or the study, to the market place. We must try to look at the marks as they will be seen, if they are both in fair and normal commercial use, by the hypothetical consumers of [wine]. Those will be people of many races and degrees of education, having varied gifts, interests and talents. We are not to postulate the consumer of “phenomenal ignorance or extraordinarily defective intelligence” . . . We are to consider a person of average intelligence and proper eyesight, buying with ordinary caution”.⁵

These principles apply with equal force to opposition proceedings. The value judgment is likely a matter of first impression and there should not be undue-peering at the two marks to find similarities or differences.⁶

[11] In *Century City Apartments Property Services CC and Another v Century City Property Owners’ Association*⁷, this Court referred with approval to what was stated in *Compass Publishing BV v Compass Logistics Ltd*⁸ that:

⁵ Ibid para 5.

⁶ *Yuppiechef Holdings (Pty) Ltd v Yuppie Gadgets Holdings (Pty) Ltd* [2016] ZASCA 118; 2016 JDR 1705 (SCA) para 26.

⁷ *Century City Apartments Property Services CC and Another v Century City Property Owners’ Association* 2009 BIP 230 (SCA); 2010 (3) SA 1 (SCA); [2009] ZASCA 157 para13.

⁸ *Compass Publishing BV v Compass Logistics Ltd* [2004] EWHC 520 (Ch); [2004] RPC 41 para 24.

⁹ Op cit 7 para 13.

‘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.’⁹

[12] The test to determine whether the two marks are confusingly similar is well established and was set out by this Court in *Plascon- Evans Paints (Pty) Ltd v Van Riebeeck Paints (Pty) Ltd (Plascon Evans)*¹⁰ and the cases that have followed and elaborated on those principles.¹¹ The test requires the court to consider the visual, aural and conceptual similarities of the two marks based on the overall impression and any dominant features. A court should assess the impact the marks would have on the average consumer in the market place who is reasonably well-informed and observant, taking account of the type of goods and how they are marketed. The ordinary consumer may not encounter the goods bearing the marks at the same time and place, and an allowance should be made for the consumer’s imperfect recollection of the marks. The marks should be viewed side by side as well as separately. The degree of similarity of the goods should be considered in relation to the degree of similarity of the marks. The greater the similarity of the goods the more it may offset some differences in the marks, just as the greater distinctiveness of the goods may require greater similarity of the marks in order

¹⁰ *Plascon- Evans Paints (Pty) Ltd v Van Riebeeck Paints (Pty) Ltd* 1984 (3) SA 623 (A).

¹¹ *Bata v Face Fashions CC and Another* 2001 (1) SA 844 (SCA) para 9; *Cowbell AG v ICS Holdings Ltd* 2001 (3) SA 941 (SCA) para 10.

to justify a finding of the likelihood of confusion. It is against this background that I now turn to determine whether Casadobe's mark is likely to cause confusion or deception to the public.

[13] Fratelli contended that CANTO is visually, phonetically and conceptually confusingly similar to CANTI, that both words are Italian, CANTI being a plural of CANTO which means 'song' or 'carol' in English. Fratelli contended further that the one letter difference that is 'O' and 'I' does not sufficiently distinguish CANTO from CANTI. Accordingly, continued the contention, the mark CANTO is similar to CANTI and the use of the CANTO mark in relation to identical goods would likely deceive or cause confusion among consumers.

[14] Casadobe argued that even though the first four letters of CANTO and CANTI are the same, a single letter can make an enormous difference in relation to trade marks. According to Casadobe, the 'I' and the 'O' at the end of the respective trade marks, are of fundamental importance for the purpose of distinction. Adding an 'I' to the end of CANT produces a word that is not found in the English language and has no meaning to an English speaker. By contrast, the suffix 'O', when added to the letters CANT, produces a recognised English word with a particular meaning for persons with a literary training and possibly also brings to mind for many such persons *The Cantos of Ezra Pound* a long poem consisting of 116 sections, each of which is a canto.

[15] Casadobe submitted that the two trade marks are not confusingly similar when compared conceptually for the following reasons. First, that although the difference in the marks consists of a single letter, that difference is significant in trade marks and the difference in the second syllable also renders the marks aurally distinguishable. Second, that the Registrar of Trademarks did not flag

CANTI as being potentially confusing in the context of the use of CANTO. Fratelli on the other hand disputes these submissions.

[16] 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. Here the goods to which the marks would be applied are identical. The marks would be used in relation to sparkling wines. They would be directed at the same consumers. The trade channels too, would be the same, that is, outlets, bars and restaurants. In some instances, the wines might be displayed in close proximity to each other, in other instance an outlet might carry the one product but not the other or might display them apart from each other.

[17] Fratelli submitted that it should be borne in mind that consumers will not always have bottles or menus in front of them when choosing either a wine or sparkling wine. In a crowded bar or restaurant setting, a consumer would order beverages from a bar attendant or waiter, the noise would be such that when a consumer articulates Fratelli's wine the bar attendant or waiter, as the case may be, would be deceived or confused into believing that the consumer is asking for Casadobe's wine. It submitted further that confusion may arise from the pronunciation or hearing deficiency on either the part of the consumer or bar attendant or waiter, of the words CANTO or CANTI. Casadobe disputed this and submitted that the average consumer's level of attention varies according to the category of goods in question. As wines and sparkling wines are expensive, the purchase thereof would not be an insignificant purchase and would also not typically form part of daily domestic shopping. Given their price, submitted Casadobe, the purchase of wine and sparkling wine would therefore require more

discernment on the part of the consumer and would therefore be preceded by a lengthier examination than would be expected.

[18] I do share this sentiment with Casadobe. Consumers of wines, including sparkling wines, are quite discerning. They are likely to exercise circumspection and a greater degree of care in making a purchase. It is not an overstatement that many wine drinkers take pride in the product they consume and are able to distinguish whether it is a spumante or frizzante, its age, as well as its source of origin. The proper approach is to consider the aural, visual and conceptual aspects of the marks comprehensively rather than in isolation. In my view, there would therefore be no likelihood of confusion or deception.

[19] As regards the notional market place, I agree with the submission on behalf of Casadobe that the notional consumer would in no way be confused on encountering the two marks in the market place as the CANTO mark would be found on South African wines or MCCs while Fratelli's CANTI mark would be found on the imported (Italian) wine section of the store. However, no evidence of consumer perception with respect to geographical origin of wine has been presented. In any event, the comparison in a trade mark infringement matter is between Fratelli's mark as registered, postulating any normal, fair notional use of the mark in respect of the goods for which it is registered, and Casadobe's mark as it is in fact used. As stated in *Plascon-Evans*¹², the appropriate notional test in infringement proceedings requires the court to have regard to the normal and natural use to which Fratelli may put its mark, that is all possible fair and normal applications of the mark within the ambit of the monopoly created by the terms of the registration.

¹² *Plascon-Evans Paints LTD v Van Riebeeck (Pty) Ltd* 1984 (3) SA 623 (A) at 641 E-I.

[20] It is true that Fratelli's CANTI trade mark registration covers the identical goods that Casadobe has admitted selling under the CANTO mark, and it can be accepted that these wines may be sold in the same retail outlet in South Africa. CANTI wines would likely be displayed in the foreign or Italian wine section, while CANTO would be displayed among the local South African wines. Therefore, the likelihood of deception or confusion is diminished.

[21] As to a visual comparison, both marks make use of a common element, the word 'CANT', which makes for visual similarity. In *Swatch AG (Swatch SA) v Apple Inc*¹³ this Court dealt with comparable marks 'SWATCH' and 'IWATCH' as follows: '...the use of the descriptive word, of a commonplace item, serves to place greater emphasis on the significance of the prefix in each of the marks. It is the 'I' in IWATCH that is the visual differentiator of the mark. So too, the joining of 'S' to 'WATCH', to make up the word 'SWATCH', provides a visual cue based on the word rather than its component parts. These features of the mark give rise to a clear visual differentiation.'¹⁴

This evaluation of the marks in *SWATCH SA* is similarly applicable in this case, with similar results, that CANTO and CANTI are not confusingly similar.

[22] In *National Brands Ltd v Blue Lion Manufacturing (Pty) Ltd*¹⁵ this Court dealt with trade marks ROMANY CREAMS and ROMANTIC DREAMS. This Court stated:

'A word mark, and particularly one that makes use of ordinary language, is not merely a combination of abstract symbols (at least to the literate observer) but is usually recognisable as a whole, and for what it conveys ... In that respect, in my view, its visual appearance cannot be separated altogether from its sense. Where the sense of one word mark differs markedly from that of another (as in this case), and in particular where the registered mark is well known,

¹³ *Swatch AG (Swatch SA) v Apple Inc* [2021] ZASCA 11; 2021 (3) SA 507 (SCA); 2021 BIP 9 (SCA); [2021] HIPR 158 (SCA).

¹⁴ *Ibid* para 8.

¹⁵ *National Brands Ltd v Blue Lion Manufacturing (Pty) Ltd* [2001] ZASCA 62; [2001] 4 All SA 235 (A); 2001 (3) SA 563 (SCA).

it seems to me that the scope for deception or confusion is reduced, though these are always matters of degree. In my view, the visual distinction in the words that are in issue in this case, bearing in mind too that each immediately conjures up a different picture, are such that there is not likely to be deception or confusion as contemplated by s 34(1)(a).'¹⁶

In this case, the last letters of CANTO and CANTI determine the different visual cues, tones and senses.

[23] In *Yuppiechef Holdings (Pty) Ltd v Yuppie Gadgets Holdings (Pty) Ltd*¹⁷, this Court found that while the word 'Yuppie' was common to both Yuppiechef and Yuppie Gadgets, it did not form the dominant feature of the mark. The Court held that:

'Those additions (chef and gadgets) are an integral part of the two marks and, in the case of YUPPIECHEF, the two words have been deliberately combined to form a single composite word. One cannot simply disregard the additional elements of the two marks. Both visually and aurally the two marks are different. While 'yuppie' is common to both, 'chef' and 'gadgets' are incapable of being confused, either when seen or spoken. The one consists of a single syllable, the other of two. In addition the concepts conjured up by the words 'chef' and 'gadgets' are worlds apart.'

[24] Consequently, even though CANTO and CANTI are both five letters long and have the same first four letters, the 'I' and 'O' at the end of the marks make a huge difference. They determine the different visual cues, tones and senses of the two marks. It is improbable that consumers would be deceived or confused.

[25] The finding of the high court that the two marks are closely similar, and their pronunciation sounds similar, is incorrect. A further finding that the single letters 'I' and 'O' which happen to be right at the back of the words does not sufficiently distinguish the marks from each other is equally incorrect. The

¹⁶ Ibid para 10.

¹⁷ Op cit fn 6 para 27.

conclusion that trade marks CANTO and CANTI are visually, aurally and conceptually similar and that there exists a likelihood of confusion or deception among consumers is wrong. Therefore, the appeal must succeed.

Order

- 1 The appeal is upheld with costs, including the costs of two counsel.
- 2 The order of the high court is set aside and replaced with the following:
‘The application is dismissed with costs.’

F E MOKGOHLOA
JUDGE OF APPEAL

Appearances

For the appellant: R Michau SC

P Farlam SC

Instructed by: Lovius Block Inc, Bloemfontein

For the respondent: A R Sholto-Douglas SC

L G Kilmartin

Instructed by: Von Siedels Attorneys, Cape Town

Honey Attorneys, Bloemfontein.