



IN THE TRIBUNAL OF THE REGISTRAR OF TRADE MARKS

TRADE MARKS ACT, ACT 194 OF 1993

Trade Mark Application No. 2006/05687 ORANGEWORCS in Class 9

**ACCOUNT WORKS SOFTWARE (PTY)
LIMITED formerly ORANGEWORCS
SOFTWARE (PTY) LIMITED**

Applicant

and

**ORANGE PERSONAL COMMUNICATION
SERVICES LIMITED**

Opponent

JUDGMENT

The Applicant for registration is Account Works Software (Pty) Limited (formally known as Orangeworks Software (Pty) Ltd), a South African company having its registered office at Office No. 2, Bentley Office Park, Corner Wessels & Rivonia Road, Rivonia, Gauteng (hereinafter referred to as "the Applicant"). The Applicant has applied to register trade mark no. 2006/05687 ORANGEWORCS in class 9 in respect of:

"Computer software and software programmes relating to accounting".

The application is being opposed by Orange Personal Communication Services Limited, a United Kingdom company having its principal place of business at St James Court, Great Park Road, Almondsbury Park, Bradley Stoke, Bristol, United Kingdom (hereinafter referred to as "the Opponent"). The Opponent is the Applicant for registration of trade mark no. 2005/16116 ORANGE in class 9 in respect of:

"Electrical and electronic communications and telecommunication apparatus and instruments, communication and telecommunications apparatus and instrument, electrical and electronic apparatus and instruments all for processing, logging, storing, transmission, retrieval or reception of data, apparatus and instruments for recording, transmission, amplifying or reproduction of sound, images, information or encoded data, photographic apparatus, instruments and equipment, image processing apparatus, instruments and equipment, television apparatus and instruments, telecommunication, radio and television broadcasting, transmitters and receivers, apparatus for access to broadcast or

transmitted programs, holograms, computers, peripheral equipment for computers, programmed data carrying electronic circuits, computer programs, computer software, discs, tapes and wires all being data magnetic carriers, blank and pre-recorded magnetic cards, smart cards containing micro processors, integrated circuit cards, electronic identification cards, telephone cards, telephone credit cards, credit cards, debit cards, cards for electronic games designed for use with telephones, CD ROMS, magnetic, digital and optical data carriers, magnetic, digital and optical data recording and storage media (blank and pre-recorded), computer software supplied from the internet, electronic publications (downloadable) provided on-line from computer database or the internet, computer software and telecommunication apparatus (including modems) to enable connection to databases, local area networks and the internet, computer software to enable teleconferencing, video conferencing and video phone services, computer software to enable searching and retrieval of data, computer software for accessing databases, telecommunication services, computer networks and electronic bulletin boards, computer games software, digital music (downloadable) provided from a computer database or the internet, digital music (downloadable) provided from MP3 internet websites, devices for playing music received from the internet, MP3 players, satellite transmitters and receivers, telecommunication and

broadcasting satellites, radio telephone beacons and telephone masts, electric wires and cables, optical cables, resistance wires, electrodes, telecommunications systems and installations, terminals for telephone networks, telephone switchboards, telecommunications signal input, storage, conversion and processing apparatus, telephone equipment, equipment for fixed, transportable, mobile, hands-free or voice-activated telephones, multimedia terminals, interactive terminals for displaying and ordering goods and services, paging, radio paging and radio-telephone apparatus and instruments, telephones, mobile telephones and telephone handsets, facsimile machines, accessories for telephones and telephone handsets, adaptors for use with telephones, battery chargers for use with telephones, desk or car mounted units incorporating a loud speaker to allow a telephone handset to be used hands-free, in-car telephone cradles, bags and cases specially adapted for holding portable telephones and telephone equipment and accessories, computerised personal organisers, aerials, batteries, micro processors, keyboards, modems, calculators, display screens, electronic global positioning systems, electronic navigational, tracking and positioning apparatus and instruments, monitoring (other than in-vivo monitoring) apparatus and instruments, radio apparatus and instruments, electrical control, testing (other than in-vivo testing), signalling, tracking (supervision) and tethering

apparatus and instruments, optical and electro-optical apparatus and instruction, video films, audio-visual apparatus and equipment, electronic games equipment and apparatus, electrical and electronic accessories and peripheral equipment designed and adapted for use with computers, audio-visual apparatus and electronic games equipment and apparatus, parts and fittings for all the aforesaid goods.”

A. POINT IN LIMINE

The Applicant lodged two applications to strike out, which were argued at the beginning of the hearing. The first was an application that certain portions of the affidavit of Ms Rachel Deborah Ann Mars be struck out from the records, on the basis that it constituted new or irrelevant evidence. The second application sought to strike out the supplementary replying affidavit in the name of Mr Christopher Karl Job, also on the basis that it constituted new or irrelevant evidence.

The Opponent's two applications to strike out should not be successful in that there were issues raised therein by the Applicant which formed part of the record presented to the Registrar and to which the Opponent had responded. The Applicant alleged that there was no intention by the Opponent to use the mark and that it was not distinctive. The issue before the Tribunal was the opposition based on Section 10(15) of the Act, i.e. comparing the two marks in dispute. The relevance or irrelevance of the disputed issues did not serve any purpose for the purpose of determining the opposition. What the Tribunal had to consider was simply the merits of the opposition. The Applicant conceded on page 11,

paragraph 5.8 of its heads of argument, that the portions of the affidavit of Ms Mars sought to be struck from the record, were not relevant to any issue in dispute between the parties.

It was common cause at the hearing of the opposition that the two applications to strike out could not be sustained as they had no bearing on the merits of the opposition.

Use of the ORANGE trade mark of the Opponent points in one direction i.e. telecommunication. This was evident from paragraph 5.3.4 to 5.5 on pages 198 to 201 of Mrs Mark's replying affidavit. Further reference was made to entering the South African telecommunication market on page 205 at paragraph 5.14. If there was any use of the mark ORANGE in South Africa then its only in relation to telecommunication goods and services through international roaming arrangements.

In view of the above, the two applications to strike out were dismissed.

B. MAIN MATTER

The opposition was based on the allegation that, the Applicant's mark offended against Section 10 (15) of the Trade Marks Act, Act 194 of 1993 ("the Act"), which provides as follows:

10. UNREGISTRABLE TRADE MARKS – *The following marks shall not be registered as trade marks or, if registered, shall, subject to the provisions of sections 3 and 70, be liable to be removed from the register,*

(15) subject to the provisions of section 14 and paragraph (16), a mark which is the subject of an earlier application by a different person, 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 as or so similar to the goods or services in respect of which the mark in respect of which the earlier application is made, would be likely to deceive or cause confusion, unless the person making the earlier application consents to the registration of such mark,

In essence the comparison to be made was limited to a comparison between the subject trade mark application and the prior application in relation to the goods as applied for. It is common cause that the test in opposition proceedings based on Section 10 (15) would be much the same as that applied in opposition based on Section 10 (14). The test to be applied is whether the mark sought to be registered, ORANGeworks, so nearly resemble another mark, ORANGE, as to be likely to deceive or cause confusion when used in a normal and fair manner in respect of the relevant goods for which the respective applications were made.

Counsel for the Opponent submitted that the following test would be a helpful guide to this Tribunal:

“Assuming the use by the Opponent of its trade mark ORANGE in a normal and fair manner in respect of any of the goods covered by the application for registration of its trade mark, is the Registrar satisfied that the use by the “Applicant” in a normal and fair manner, of its trade mark in respect of any of the goods covered by its application will not cause confusion or

deception amongst a substantial number of persons” **Smith, Hayden & Co Ltd’s 1946 (63) RPC 97 at 101**.

The ultimate test is, after all, as I have already indicated, whether on the comparison of the two marks, it can properly be said that there is a reasonable likelihood of confusion if both were to be used together in a normal and fair manner, in the ordinary course of business **Cowbell AG v ICS Holdings Ltd 2001 (3) SA 941 (SCA) 947H – 948I**.

There was no dispute between the parties that the wording of Section 10 (15) does not require any party to prove extensive use. In this regard the Applicant cited **Khan’s Chemical Industry CC v Unilever plc 2004 BIP 107 (RTM) at 109 C-E**, where it was held with reference to an opposition under Section 10 (14), that:

“The dispute between the parties is whether the applicant’s mark is so similar to the opponent’s mark that the use in relation to goods or services in respect of which it is sought to be registered and which are the same as 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. The wording of section 10 (14) does not require any party to prove extensive use. The manner or extent of use of the marks by the respective parties would only be relevant should it have a bearing on a finding as to whether or not there is a likelihood of deception or confusion as to the origin of the goods. In one case it may carry much weight but may be wholly irrelevant or of very slight significance in another. The premise is that each party uses its mark in a normal and fair manner. Whether or not

contesting marks could likely deceive or cause confusion is a matter of fact to be decided on the facts of each case. It is common cause that the applicant bears the onus of proof to satisfy this tribunal that there is no reasonable probability of deception or confusion and that the mark is therefore registrable”.

The onus rests upon the Applicant to satisfy the Registrar that there is no reasonable probability of deception or confusion and that its mark otherwise qualifies for registration **(The Upjohn Company v Merck 1987 (3) SA 221 (T) 224 C-J)**.

The Opponent's main contention was that the Applicant's ORANGWORKS trade mark wholly incorporates its ORANGE trade mark. According to the Opponent, ORANGE is the first, dominant and memorable feature of the Applicant's trade mark. Its identity is clearly retained in the trade mark ORANGWORKS. It is in the word ORANGE that emphasis will lie.

Regarding the test applied in the comparison of trade marks, both Counsels in their heads of argument referred to the Plascon Evans case. In **Plascon-Evans Paints Ltd v Van Riebeeck Paints (Pty) Ltd 1984 (3) SA 624 (A) at 640 I – 641 E** it was held that:

“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 between 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 of as a person of average intelligence, having proper eye sight and buying with ordinary caution. The 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 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 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 impression 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 employed as, for example, the use of name marks in conjunction with a generic description of the goods."

In **Bata Ltd v Face Fashions CC and Another 2000 (1) SA 844 (SCA) 850D –G** it was held that:

“In considering these issues it is appropriate to apply the principles summarised by Corbett JA in Plascon-Evans at 641A-E to the facts of the case. These principles are well-known and need not be repeated in detail. It suffice to say that not only should the marks be compared side by side but consideration must be given to whether the average customer in the market place would probably be deceived or confused by their similarity. Corbett JA made it clear that the main or dominant features of the marks in question as well as the general impression and any striking features were all factors to be considered when deciding whether there was a likelihood of confusion or deception. A similar approach was adopted by the European Court of Justice in Sabel BV v Puma AG, Rudolf Dassler Sport (1998) RPC 199. At 224 it was said that the likelihood of confusion must ‘be appreciated globally’ and the ‘global appreciation of the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular their distinctive and dominant components.’

Counsel for the Opponent submitted that the distinctive and essential element of the marks ORANGE and ORANGEWORKS was the word ORANGE. It was further contended by the Opponent that the identity of the element ORANGE had been retained in the mark under opposition. According to the Opponent, a purchaser of computer programmes or computer software under the Applicant’s mark as applied for, when confronted with

ORANWORKS, will wonder whether or believe that the product in question is associated with ORANGE, the Opponent's mark. However, in my opinion the Opponent failed to demonstrate use of its mark ORANGE in relation to accounting software or programmes, being the goods of the Applicant, which could potentially lead to the public being confused into thinking the goods of the one is or may be, the goods of the other.

It was averred by the Opponent that customers may encounter its ORANGE software and the ORANWORKS accounting software of the Applicant with an imperfect recollection.

The Applicant in reply argued that the two marks were sufficiently different. The mere inclusion of one mark in that of another party's trade mark, does not automatically lead to the conclusion that the two marks are confusingly similar. The marks must be considered as wholes. In this regard the Applicant relied on **Dasareth v Hullet Aluminium (Pty) Ltd 2008 BIP 382 (D)** where Justice Swain said the following:

"It is clear that the name of the company 'City Glass and Aluminium' and the registered trade mark of the first respondent 'Aluminium City' contain common elements being the words 'City' and 'Aluminium'. In the company's name these words are used in combination with the word 'Glass'. The words 'City', 'Aluminium' and 'Glass' are obviously all ordinary words in everyday use, as distinctive from invented or made up words. Placing myself in the position on the notional purchaser in the market place, I cannot imagine that his attention would be focussed to such a degree upon the words 'City' and 'Aluminium' in the name of the company, to the exclusion of the

word 'Glass', which appears between and separate these two words, that he is likely to be confused or deceived into believing that the business of the company is the business is the business of the first respondent.

When the sense, sound and appearance of the respective marks are examined I am satisfied that there is no likelihood of confusion. The Applicant's name conjures up an image of a business located in the City, selling glass aluminium. The first Respondent registered trade mark however, conjures up an image of a large emporium selling exclusively aluminium goods".

Applicant's Counsel relied on the two judgments mentioned above. His contention was that the mere inclusion of one mark in another party's trade mark, does not *per se* lead to the conclusion that the two marks are confusingly similar. The marks must be considered as a whole.

The Applicant was of the view that, although actual evidence of confusion was not a prerequisite to showing the likelihood of confusion or deception, the fact that no evidence of actual confusion was reported where marks had been used side by side, was telling. This was according to the Applicant indicative that there was no such likelihood of deception or confusion.

Counsel for the Applicant further submitted that, when the two marks in the present case were compared, it was clear that the two marks were distinct from each other. Members of

the public would not be confused, as they would be aware of the many other "orange" named businesses and entities in the market place. Counsel for the Applicant stated on page 20 of the heads of argument at paragraph 9.2, that the Applicant came across some 11 domain names incorporating the word ORANGE. At least 6 appeared to relate, in some way, to the goods covered by the Opponent's prior application. We should bear in mind that at the time of the institution of opposition the Opponent's ORANGE mark was not yet registered. The Applicant further argued that, there were 642 company and close corporation names incorporating the word ORANGE on the Companies Register. Of these according to the Applicant, 9 were clearly in the information technology field. These companies and close corporations were listed on page 21 at paragraph 9.3. of the Applicant's heads of argument.

According to the Applicant, members in the relevant sector of the public would not buy software in general on a whim and without having done proper research. In this regard the Applicant relied on the affidavits of persons who deposed to the process they went through selecting the software product of the Applicant. These affidavits are on pages 167, 170, 172, 175 and 177 of the court record. It is also my respectful opinion that no member of the public would buy software without a specific purpose.

What needs to be considered further by this Tribunal is whether the Applicant's and the Opponent's goods are identical or confusingly similar. The Opponent's contention was that the goods it applied for, i.e. "computer software" and "computer programmes" were unqualified in the specification and there was no limitation placed upon the "computer software" or "computer programs" in relation to which the Opponent may use its mark once it proceeded to registration. Whilst the marks of Applicant and Opponent are similar, in my

opinion the Applicant serves or caters a very specialised, academically qualified market, which market would in all probability be much more discerning than the one the Opponent caters for.

I respectfully disagree with the Opponent's contention that since both specifications refer to "computer software" that they are accordingly identical in that regard. The evidence placed before this Tribunal by the Opponent failed to demonstrate that use by the Opponent in relation to "computer software" and "computer programs" encompassed "software programs relating to accounting". I cannot agree with the Opponent's contention that it was therefore apparent that the Applicant sought registration of its mark for goods which were encompassed by the Opponent's specification, and therefore similar goods.

There is no dispute that the mark ORANGEWORKS incorporates the word ORANGE, but the Applicant applied for the registration of its mark ORANGEWORKS in relation to very specialised goods, being accounting software. Due to the nature of these goods, their specific target market, the manner in which these goods are marketed and selected by members of the public, the goods to which the subject trade mark application relates are not similar at all to those goods to which the Opponent's trade application relates. The potential of confusion or deception is very minimal.

The Opponent's Counsel alleged that there had been extensive use made of its distinctive mark. In support of these allegations the Opponent contended that extensive time, money and effort had been invested in the development and establishment of ORANGE goods and services and that the Opponent promoted and advertised its goods and services under the ORANGE mark extensively. The Orange Group has, as alleged by the

Opponent, experienced singular growth, success and reputation in that there were approximately 88.6 million ORANGE mobile customers across 23 countries around the world.

The evidence clearly demonstrates that the Opponent's ORANGE trade mark has a considerable reputation in the telecommunications industry only. Mrs Deborah Ann Marks stated in her replying affidavit on page 199, paragraph 5.3.5 of the court record that the Opponent had consistently invested highly in advertising and promotion of its ORANGE branded telecommunication goods and services.

In my opinion one can safely conclude that the goods of the Opponent and those of the Applicant are not in competition with each other or even complementary. The enquiry into the comparison of goods is specific, namely "are the goods the same as or similar to" (*Webster & Page par 6.12*). What the Opponent had demonstrated was use of the mark on telecommunication goods and not on software programmes relating to accounting.

In view of the difference in the goods, it is my view that the co-existence of the marks would not lead to deception or confusion as to the origin of the goods. The use of the respective marks side by side in a normal and fair manner in the ordinary course of business in relation to accounting software on the one hand, and telecommunication goods and services on the other hand, is unlikely to create a reasonable likelihood of deception or confusion.

In view of the above, it is ordered that:

- (i) the two applications to strike out be dismissed with costs, such costs not to include any costs of the hearing of the opposition application,
- (ii) the opposition to the registration of trade mark no. 2006/05687 ORANGWORKS in class 9 in respect of "*Computer software and software programmes relating to accounting*" is dismissed,
- (iii) application no. 2006/05687 is to proceed to registration, and
- (iv) the Opponent shall pay the costs in relation to the opposition proceedings



MR A. N. TUWE

DEPUTY REGISTRAR OF TRADE MARKS

01 September 2010