

IN THE TRIBUNAL OF THE REGISTRAR OF TRADE MARKS

TRADE MARKS ACT, ACT 194 OF 1993

Trade Mark Application No. 2001/01679 **ULKER ALBENI & DEVICE** in class 30

SOCIETE DES PRODUITS NESTLÈ SA

Opponent

and

ULKER GIDA SANAYI VE TICARET A.S.

Applicant

JUDGMENT

The Applicant for registration is Ulker Biskuvi Sanayai A.S., a Turkish company (hereinafter referred to as “the Applicant”). The Applicant applied for the registration of trade mark application no. 2001/01679 ULKER ALBENI & Device in class 30 in respect of:

“Staple foods of all kinds and description, coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee, flour and preparations made from cereals, breads, pastry and confectionery, snack foods, ices, honey, treacle, yeast, baking powder, salt, mustard, vinegar, sauces, condiments, spices, ice.”

The application was opposed by Societe des Produits Nestlè SA (“the Opponent”), a Swiss company with its principal place of business in Switzerland.

The Opponent is the registered proprietor in South Africa of trade mark registration no. 1961/0941 ALBANY in class 30 in respect of:

“Cocoa, chocolate, beverages on the basis of cocoa and chocolate, bonbons and candy, confectionery and pastry, puddings and other desert preparations, ice cream”

The opposition was based on the provisions of Sections 10(4), 10(12), 10(14) and 10(17) of the Trade Marks Act, Act No. 194 of 1993 (“the Act”). The Opponent’s in its heads of argument stated that it would limit its argument to the provisions of Section 10(14).

Section 10(14) provides that:

10 Unregistrable trade marks

The following trade 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.

(14) subject to the provisions of section 1, a mark which is identical to a registered trade mark belonging to a different proprietor also similar thereto 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 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.

The Opponent stated in its heads of argument that it was trite law that the onus rested on the trade mark applicant to prove that its trade mark was capable of registration. If there was any doubt, registration should be refused **(The Upjohn Company v Merck & Another 1987 (3) SA 221 (T))**. Counsel for the Opponent submitted that the extent of the enquiry, that also deals with the principles taken into account when comparing trade marks, was set out in **Smithkline Beecham Consumer Brands (Pty) Ltd v Unilever Plc 1995 (2) SA 903 (A)**. The Court held that:

“The touchstone was therefore whether there was such a degree of similarity between the respondent’s trade mark and those of the appellant as to give rise to the likelihood of consumer deception or confusion. The onus of proving that there was no likelihood of consumer deception or confusion must rest on the appellant who is seeking such registration.”

The Opponent in its heads of argument, also referred to the guidelines summarised in **Plascon-Evens Paints Ltd v Van Riebeeck Paints (Pty) Ltd 1984 (3) SA 623** where it was remarked that the comparison must have 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 consumer 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 eyesight 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 marketplace 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.”

The Opponent further referred to the case of **Cowbell AG v ICS Holdings LTD 2001 (3) SA 941 (SCA)** wherein the Supreme Court of Appeal held as follows at 947 H – 948 D:

“Section 17(1) creates an absolute bar to the registration provided the jurisdictional fact is present, namely that the use of both marks in relation to goods or services in respect of which they are sought to be registered, and registered, would be likely to deceive or cause confusion. The decision involves a value judgement and the ultimate test is, after all, as I have already indicated, whether on a comparison of the two marks it can properly be said there is a reasonable likelihood of confusion if both are to be used together in a normal and fair manner, in the ordinary course of business. (SmithKline Beecham Consumer Brands (Pty) Ltd (formerly known as Beecham South Africa (Pty) Ltd v Unilever plc 1995 (2) SA 903 (A) at 912H) Likelihood refers to a reasonable probability (ibid at 910B), although the adjective ‘reasonable’ is perhaps surplusage. In considering whether the use of the respondent’s mark would be likely to deceive or cause confusion, regard must be had to the essential function of a trade mark, namely to indicate the origin of the goods in connection with which it is used”.

The Opponent argued that all that was required was that there was a probability that a substantial number of persons would be deceived or confused. Substantial number of persons means not “negligible” (Danco Clothing (Pty) Ltd v Nu-care Marketing Sales and Promotions (Pty) Ltd 1991 (4) SA 850 A at 861 G-H). Confusion or deception existed when someone believed something that was false or incorrect. To confuse was to cause bewilderment, doubt or uncertainty (John Craig (Pty) Ltd v Dupa Clothing Industries 1977 (3) SA 144 T at 150 H).

Regarding the comparison of products, Counsel for the Opponent submitted that confusion or deception existed when there was a probability that a substantial number of persons would be deceived into thinking that the Applicant's product was the product of the Opponent, or that there was a material connection between the Applicant's product and the Opponent as a producer and marketer of the products in issue. Deception or confusion needed only to last for a fraction of time. If people merely wondered whether the goods had been made by the Opponent, the trade mark was one which was likely to create confusion **(Juvena Products Debut SA v BLP Import & Export 1980 (3) SA 210 (T) 217H – 218H)**.

The Opponent also invoked the test of confusion as to sense, sound and appearance. A reasonable likelihood of deception or confusion in any one of these aspects would suffice to give rise to deception or confusion **(Cavalla Ltd v International Tobacco Co 1953 (1) SA 461 (T) at 468G – H)**.

Counsel for the Opponent further argued that the dominant features of the competing marks played a decisive role in the test whether or not they were capable of coexistence. The conclusion to be drawn from the authorities was that, while in certain cases the dominant feature of each mark may be the determining factor, the true rule was a broader one, namely, that the comparison was to be made between the main idea or impression left on the mind by each of the marks, having regard to any essential or salient or leading or striking feature or features in each **(International Power Marketing (Pty) Ltd v Searles Industries (Pty) Ltd 1983 (4) SA 163 (T) at 168H)**.

There was no dispute that the probabilities were overwhelming that the Applicant's mark would be referred to as "ALBENI" rather than ULKER ALBENI. In my opinion I disagree with the Opponent's submission that the words ALBANY and ALBENI would be pronounced by South Africans who speak English, whether English was their first or second language, in such a way that, phonetically, there would be a confusing or deceptive similarity, if not identical, between the two words. The fact that there was no answer to the affidavit of Professor van Rooyen was not conclusive that the two words are phonetically similar. I could not agree with the Opponent's case that there was a similarity in the pronunciation of ALBANY and ALBENI and its submission that there was a real likelihood of deception and confusion.

Regarding the Applicant's reference to the marks incorporating the word ALBANY, in my opinion it was not necessary to give them serious thought since in the end, the two marks to be compared were ALBANY and ALBENI. In this regard the Opponent was correct to say consideration of those marks was irrelevant.

In closing, the Opponent's Counsel submitted that the Applicant had not discharged the onus upon it to prove that its trade mark application was capable of registration.

In reply, the Applicant argued that in the circumstances, the marks in issue were not confusingly or deceptively similar. It was submitted that, given that the goods in respect of which the Opponent's mark was registered and the Applicant sought to register its mark, the enquiry revolved around whether or not there was a deceptive or confusing similarity between the trade marks.

In support of its case, the Applicant cited **Century City Apartments Property Services CC and another v Century City Property Owners Association (2009) ZA SCA 157 (27 November 2009)** where the following passage was quoted from the judgement of Laddie J in **Compass Publishing BV v Compass Logistics Ltd (2004) EWHC 520 (Ch)**:

“The likelihood of confusion must be appreciated globally, taking into account all relevant factors. It must be judged through the eyes of the average consumer of the goods or services in question. That consumer 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 undertaking, there is likelihood of confusion”.

I fully agreed with the submission by the Applicant’s Counsel in its heads of argument that the importance of the global approach to appreciating trade marks was that concentration on any particular element or elements of the mark was unhelpful and contrary to the proper approach. It must be aimed at determining the overall impression given by the marks, bearing in mind their distinctive and dominant components.

I found the Applicant’s submission persuasive in that its mark was a word and device mark. According to the Applicant the ordinary customer encountering its trade mark in the

market place, would see not only ALBENI, but ULKER and ALBENI as depicted in the manner represented on the application. In support of this contention in paragraph 27.4 referred to the **Century Case (supra)** at par 17 were the following was said:

“To determine the likelihood of confusion the matter must be approached globally. Different types of trade marks are used differently, something recognized by the definition of ‘use’ in the Act (s 2(2)). A device is by definition a visual representation or illustration capable of being reproduced upon surface. The value (and distinctiveness) such a mark depends heavily on its visual impact. In this respect it is not much different from marks that consists of a colour or ornamentation or are containers. If these marks are combined with words or names their oral value may, depending on the circumstances, come to the fore. The same applies if they can be referred to descriptively. It may therefore be that the aural and/or conceptual dominant component of such a mark neutralises the visual differences deriving from its graphic particularities”.

In view of the foregoing, Counsel for the Applicant correctly submitted that what should further be considered was whether the marks had any dominant feature. In this regard, he stated that the purpose of the enquiry was to determine the idea or impression left on the mind by each of the marks having regard to any essential or salient or leading or striking feature or features in each. Clearly, as the Applicant pointed out, the idea or impression by the words ULKER ALBENI differed totally from the idea conveyed by the word ALBANY. Even the pronunciation of the two marks compared as wholes could not be said to be confusingly or deceptively similar. The analysis by Professor van Rooy was of no assistance to the Opponent’s case since at the end one needs to compare the two competing marks taking into account what happens in the market place. In my opinion, an

ordinary consumer should not be made to wear the shoes of the professor. Such a consumer could not be viewed as a person with education, training, work experience and considerable knowledge in language and varieties of English in the same way as a Professor with such an array of qualifications in linguistics, as well as sociolinguistics and corpus linguistics.

The Applicant's version that the comparison was between the ALBANY mark and ULKER ALBENI & Device could not be disputed.

In **National Brands Ltd v Blue Lion Manufacturing (Pty) Ltd 2001 (3) SA 563 (SCA)** the Applicant alleged that the comments made were directly applicable to the facts of this case:

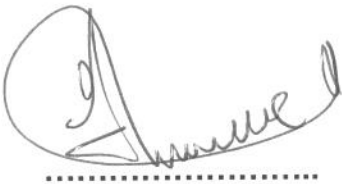
"The goods that are now in issue can be expected to be encountered in a variety of outlets, by a variety of customers. They will be found on supermarkets shelves, sometimes side by side, where they will often be selected with little more than a glance, they will be found in grocery stores, general trading stores and corner cafes, where they will be selected not by the appearance of the mark but rather by their sound.

I fully agreed with the Applicant closing argument that, when a proper and fair comparison process was undertaken, the only rational conclusion to which one come , was that no notional ordinary customer possessing those qualities was likely to be deceived into believing that the Applicant's goods originate from, or were connected with, the Opponent or its trade mark.

Even though the Opponent relied on a number of tests applicable in the comparison of marks, it could not meet the yardstick when considering the overall impression given by the competing marks. The Applicant had under the circumstances clearly demonstrated that the marks in issue were not confusingly or deceptively similar.

Therefore, after having heard both parties, and having considered all the arguments put forward in this matter, the following order was made:

- (i) that the opposition in terms of section 10 (14) was dismissed
- (ii) that the costs were to be borne by the Opponent
- (iii) that trade mark application no. 2001/01679 was to proceed to registration.



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Abey Tuwe (Mr)

Deputy Registrar of Trade Marks

17 February 2011