

REPORTABLE
IN THE NORTH GAUTENG
(HIGH COURT OF SOUTH AFRICA)

Case No: A758/09

DATE:18/04/2011

In the matter between:

NYCOMED AUSTRIA GMBH

Appellant

And

CIPLA MEDPRO (PROPRIETARY)

First Respondent

THE REGISAR OF TRADE MARKS

Second Respondent

JUDGMENT

MAVUNDLA, J.

[1] This is an interlocutory application in terms of Rule 30(2)(b) brought by the first respondent for an order on the following terms:

- “1. That condonation for the first respondent’s failure to comply with the time periods provided for in Rule 30(2)(b) be granted and that time periods for filing the application in terms of Rule be extended.
2. That the irregular proceedings taken by the appellant on 20 August 2009 embodies in the appellant’s notice titled “Appellant’s Notice of Appeal” be set aside in its entirety, alternatively, in part;
3. That the irregular proceeding taken by the appellant on 24 November 2009 embodied in the appellant’s notice of “Application for Hearing Date for the appeal in terms of Rule 46(6)(a)” be set aside in its entirety, alternatively, in part;
4. That the irregular proceedings taken by the appellant on 24 November 2009 embodied in the appellant’s notice effecting an amendment be set aside in its entirety, alternatively, in part;

5. That the appellant be given leave to amend or withdraw the notice dated 20 August 2009 and 24 November 2009 within 10 days of the date of the order;
- 6 That the appellant be given leave to amend or withdraw the notice dated 1 October 2009 within 10 days of the amendment or withdrawal of the notice of appeal.
- 7 That until such time as the appellant has complied with the orders set out herein above it shall not take any further step in the cause, save to apply for an extension of time within which to comply with the terms of this order
- 8 Further and/ or alternative relief;
- 9 Costs of suite.”

[2] This matter is a tapestry of comedies of irregularities, particularly on the part of the appellant, which, no matter how much it tried to rectify, the first respondent would not be appeased. The first respondent is, however, also not without any blemish. However, what is certain is that both parties are

desirous in locking horns, once more, on the main issue that unleashed the current application.

[3] The main issue, which is the chagrin of the appellant, is the judgment of the registrar of trades, delivered on 21 May 2009, which the appellant is appealing against, which reads: “Having considered all the documents and all the arguments submitted to me in relation to this opposition, the following judgment is made:

- “(i) the application to strike out is dismissed with costs
- (ii) the opposition is dismissed with costs
- (iii) the trade mark application no. 2006/12167 FEXCO DEVICE to proceed to registration.
- (iv) The opponents shall pay the Applicant’s costs.”¹

[4] There is, however, uncertainty as to what is the correct judgment, because at paginated page 143 transcript 35 it is recorded as follows:

“ **PRESIDING OFFICER**

Okay, thank you. Yeah, I haven’t read the papers and having heard you very persuasive submissions, I mean from both Counsel for the Trade

¹ Paginated page 141 of the papers, transcript page 33.

Mark Applicant and Counsel for the Opponent, it is hereby ordered that, one an application to...”

I shall later revert to this judgment.

BACKGROUND

[5] This matter is a sequel to a trade mark registration application no. 2006/12167 Fexo & device in class 5 (the “trade mark application”) by the appellant which was heard by the Registrar of Trade Marks on 21 May 2009. The Registrar ordered that, one, the application to strike out be dismissed with costs, two, the trade mark application proceeds to registration with the appellant to pay the costs of the opposition (the “judgment”).

[6] The appellant not content with the Registrar’s decision noted an appeal against this decision. What follows is a chronological sequence tat unfolded culminating to the present application.

6.1. On 20 August 2009 Nycomed filed the original notice of appeal against the judgment, except the order dismissing the strike out application;

- 6.2 On 3 September 2009 the first respondent filed a notice in terms of rule 30(2)(b). The cause of complaint was that then first two grounds of appeal are in fact grounds of review and should be deleted together with various paragraphs in support thereof;
- 6.3 On 8 September 2009 the Registrar filed his reasons for the judgment;
- 6.4 On 15 September 2009 the appellant filed a notice of intention to amend the original notice of appeal in terms of rule 28(1) (the “first amendment” which proposed to insert further grounds of appeal based on the reasons for the judgment;
- 6.5 On 29 September 2009 the first respondent objected to the first amendment on the basis that the cause of complaint in its rule 30(2)(b) notice of 3 September 2009 have not been addressed by the proposed amendment;
- 6.6 On 1 October 2009 the appellant filed a notice of application for a hearing in terms of rule 46(3)(a);

- 6.7 On 9 October the first respondent objected to the notice for the a hearing date in terms of rule 30(2)(b) on the basis that the original notice of appeal is invalid.
- 6.8 On 26 October 2009 the appellant replied to the first respondent's objection, stating that the original notice of appeal was amended;
- 6.9 On 30 October 2009 the appellant filed a notice of intention to amend that sought , in the preamble, to *further* amend the *amended* notice of appeal (the **'second amendment'**)
- 6.10 On 24 November 2009 the appellant effected the second amendment by filing the amended pages in terms of rule 28(7);
- 6.11 On 10 December 2009 the first respondent objected to the rule 28(7) notice in terms of rule 30(2)(b) on the basis that the second amendment purports to amend an amended notice of appeal which document does not exist as the first amendment was not effected;

6.12 On 22 December 2009 the appellant filed a rule 30, alternatively rule 30A notice objecting to the late filing of Cipla's *latest* rule 30(2)(b) notice; and

6.13 On 19 January 2010 the first respondent launched this application in terms of rule 30(2)(b).

[7] The issues to be determined firstly whether the original notice of appeal complies with rule 49(3) and, if so, secondly whether the or not the notice is assailable on the grounds that it allegedly contains impermissible review grounds; and thirdly whether the amended notice of appeal of November 2009 effectively amended the original notice of appeal.

[8] According to the first respondent, rightly so, the appellant filed several documents which have their stated aim to prosecute an appeal against the registrar's decision. The first respondent complained to the appellant about the defective nature of its notices filed to prosecute the appeal and invited it to remedy

the defects. However, the appellant, notwithstanding its purported efforts to remedy the defects, still failed to do so. The first respondent further stated in its heads of argument that it brought this application to compel the appellant to remedy the defects in its papers and to present its appeal in an orderly fashion, in compliance with the Rules.

[9] It is common cause that the appellant noted an appeal in terms of Section 53(2)² of the Trade Marks Act. The appellant's notice merely referred to section 53. In its notice of appeal the appellant specifically tabulated the grounds upon which it relies for the noting of the appeal.

[10] Section 53(1) of the Trade Marks Act grants a person aggrieved by the decision of the registrar, the right to apply to this court for relief. In terms of this subsection this court is empowered "to consider the merits of any matter, to receive further evidence, and to make any order as it may deem fit."

² "53(2) any party to any opposed proceedings before the registrar may appeal to the Transvaal Provincial Division of the Supreme Court against any decision or order pursuant to such proceedings ."

[11] In the matter of *Tilky & Others v Johannes, N.O. & Others* 1963

(2) SA 588 at 591 G-591A it was held that “The word “appeal” can have different connotations. In so far as is relevant to these proceedings it may mean:

(i) an appeal in the wide sense, that is, a complete rehearing of, and fresh determination on the merits of the matter with or without additional evidence or information (*Golden Arrow Bus Services v Central Road Transportation Board*, 1948 (3) SA 918 (AD) at p.924; *SA Broadcasting Corporation v Transvaal Townships Board and Others*, 1953 (4) S.A. 169 (T) at pp.175-6; *Goldfields Investments Ltd. v. Johannesburg City Council*, 1938 T.P.D. 551 at 554);

(ii) an appeal in the ordinary strict sense, that is, a rehearing on the merits but limited to the evidence or information on which the decision under appeal was given, and in which the only determination is whether that decision was right or wrong (e.g. *Commercial Staffs*

(Cape) v. Minister of Labour and Another 1946 C.P.D. 632 at p. 638-641);

- (iii) a review, that is, a limited re-hearing with or without additional evidence or information to determine, not whether the decision under appeal was correct or not, but whether the arbiters has exercised their powers and discretion honestly and properly (e.g. *R v. Keeves*, 1936 A.D. 410 at pp. 416-7; *Shenker v. The Master*, 1936 A.D. 136 at pp. 146-7).

[12] In my view section 53(2) deals with an appeal in the ordinary strict sense as envisaged to under (ii) in the Tikly matter, whereas, subsection (ii) deals with an appeal in the widest sense as envisaged subsection (i) in Tikly matter.

[13] The appellant's grounds of appeal in the original notice of appeal are that the registrar erred, when he dismissed with costs the appellant's opposition to the registration of the trade

mark, in making a decision without having considered the papers and the evidence provided in support of the opposition. The registrar erred in deciding that he did not have to read the papers in making a decision.

[14] Rule 49(3), which is peremptory provides, demands that a notice of appeal should indicate whether the whole or part of the judgment is appealed against. It also demands that “the grounds upon which the appeal is founded” be succinctly specified. It does not permit widely couched grounds, that permit the opponent to canvass any issue not contained in the record³.

[15] The first respondent’s salvo in terms of rule 30 (2)(b) against the original notice of appeal, was that the notice of appeal does not disclose whether the whole or part of the judgment, which findings and or ruling of law are appealed against and which are the grounds appealed against.⁴ There was merit in the complaint taken by the first respondent.

³ Songono v Minister of Law and Order 1996 (4) SA 384 at 385G-H.

⁴ The relevant notice is dated 3 September 2009, paginated page 123.

[16] The appellant, in an attempt to remedy the complainant raised by first appellant, filed a notice in terms of rule 28(1) of its intention to amend on 15 September 2009 simultaneous with the notice to amend marked AA1⁵. This solicited yet another objection from the first respondent which was filed on 29 September 2009, within ten days from 15 September 2009.⁶

[17] The first respondent raised various concerns, *inter alia*, that the envisaged amendment seeks to introduce evidence, indicating that the appellant seeks to proceed by way of review. Notwithstanding this objection and without remedying the cause complained of, the appellant simply proceeded to apply for a date of hearing of the appeal, per its notice dated 1 October 2009⁷. I deem it not necessary to traverse all the aspects raised in this matter. It suffices to state that I am of the view the first respondent quite correctly raised its objections regarding the irregularity in the respective notices of the appellant.

⁵ Paginated pages 126-131, with a copy of the judgment marked A1 at paginated pages 132-143 and various correspondence.

⁶ Rule 28(2)

⁷ Paginated pages 156-157.

[18] Section 53(1) of the Trade Marks Act, in my view, falls within the ambit of (i) mentioned in Tilly matter (supra), an appeal in the widest sense. The first appellant has proposed to the appellant that s53(2) does provide a combination of an appeal and review process, and that the latter should rather proceed under rule 53(1). I agree with this proposal. The reason for this is because, as pointed out in paragraphs [3] and [4] supra, there is confusion as to what precisely was said by the registrar. For there to be clarity, it might require evidence to be led in that regard. This cannot be done under a strict appeal (ii) mentioned in the Tilly matter.

[19] Both parties would want some finality to this matter. The matter is of importance to both parties because it deals with the registration sought by the appellant falls within class 5. The registration is for trade mark no 2006/12167 in respect of the goods in class 5: "pharmaceutical and veterinary preparations for medical purposes, dietetic substances adapted for medical

use, food for babies, plasters, material for dressing, material for stopping teeth, dental wax, disinfectants, preparations for destroying vermin fungicides”. The first respondent relies on its trade mark registration for the mark XEFO under trade mark registration no 1998/05349 in class 5 in respect of the following goods: “Pharmaceutical preparations and substances, analgesic and/or anti-inflammatory agents for medical use. It is clear that their interest are not far removed from each other. It is therefore important that clarity should be elucidated, and this can only be done through both parties allowed to lock horns on this aspect on appeal, whichever way the appellant is advised to package the dispute. In the exercise of my discretion, whatever imperfections there may be in both respective parties’ papers, I am of the view, that the prayers proposed in the first respondent’s application in fairness to, and the interest of the parties should be granted⁸.

[20] In so far as the costs are concerned, I am of the view that the general principle that they follow the event should apply.

⁸ United Plant Hire (Pty) Ltd v Hills and Others

[21] In the result I make the following order:

- (1) That condonation for the first respondent's failure to comply with the time periods provided for in Rule 30(2)(b) be and is hereby granted and that the time periods for filling of the applications in terms of the Rule be extended.
- (2) That the irregular proceeding taken by the appellant on 20 August 2009 embodied in the appellant's notice entitled 'Appellant's Notice of Appeal' is set aside in its entirety.
- (3) That the irregular proceeding taken by the appellant on 1 October 2009 embodied in the appellant's notice of 'Application for a Hearing Date for the appeal in terms of Rule 49(6)(a)' is set aside in its entirety.
- (4) That the irregular proceeding taken by the appellant on 24 November 2009 embodied in the appellant's notice effecting an amended is set aside in its entirety.

- (5) That the appellant be and is hereby given leave to amend or to withdraw the notices dated 20 August 2009 and 24 November 2009 within 10 days of the date of the order.
- (6) That the appellant be and is hereby given leave to amend or to withdraw the notice dated 1 October 2009 within 10 days of the amendment or withdrawal of the notice of appeal.
- (7) That until such time as the appellant has complied with the orders set out hereinabove it shall not take any further step in the cause, save to apply for an extension of time within which to comply with the terms of this order.
- (8) That the appellant is ordered to pay costs of this application.

N.M. MAVUNDLA

JUDGE OF THE HIGH COURT

DATE OF JUDGMENT : 18/04/2011

APPLICANT'S ATT : ADAMS & ADAMS

APPLICANT'S ADV : ADV A LAPAN

RESPONDANT'S ATT : BRIAN BACON & ASS

DEFENDANT'S ADV : ADV M SEALE