

REPUBLIC OF SOUTH AFRICA



IN THE HIGH COURT OF SOUTH AFRICA
GAUTENG DIVISION, PRETORIA

CASE NO.: 55428/2015

(1)	REPORTABLE: YES / NO
(2)	OF INTEREST TO OTHER JUDGES: YES / NO
(3)	REVISED
<u>16/1/2017</u> DATE <i>[Signature]</i> SIGNATURE	

In the matter between:

ARBITER DI MARCIANO ALFONSO & C.S.N.C.

OPPONENT

and

ADAMO EXCLUSIVE MENS WEAR CC t/a PAPOUTSI

APPLICANT FOR THE

TRADE MARK (RESPONDENT)

Heard: 5 February ²⁰¹⁶~~2015~~

Delivered 25 January 2017

JUDGMENT

A.A.LOUW J

Introduction

[1] This is an opposition to an application for the registration in the trade marks register of the mark *ARBITER* in class 25 in the name of ADAMO EXCLUSIVE MENSWEAR CC t/a Papoutsi (the applicant).

[2] This judgment has to be read together with the judgment in case number 45297/2014, to which I shall refer as the “interdict judgment”. The applicant in the interdict is the opponent to registration herein whilst the respondent in the interdict is the applicant for registration.

[3] The registrar in terms of section 59(2) of the Trade Marks Act, 194 of 1993 (the Act) referred the opposition proceedings to this court.

[4] The applicant on 20 June 2011 under application 2011/14756 applied for the registration of the mark *ARBITER* in class 25. The application was accepted on 11 April 2012, and advertised for opposition purposes in the Patent and Trade Mark Journal dated 27 June 2012.

[5] After extensions of the time period within which the opposition to the said application for registration of the *ARBITER* mark was to be filed, the opponent on 12 December 2012 filed its opposition to the applicant’s application for the registration of the mark *ARBITER* as a trade mark.

[6] On 6 August 2012 the opponent also applied for registration of the trade mark *ARBITER* in classes 18 and 25.

The grounds of opposition

[7] The opposition to the applicant's application for registration of the mark as a trade marks is premised upon the provisions of the following sections of the Act:

- 7.1. section 10(3) of the Act, namely a mark in relation to which the applicant for registration has no *bona fide* claim to proprietorship;
- 7.2. section 10(6) of the Act, namely a mark which, on the date of application for registration thereof, or, where appropriate, of the priority claimed in respect of the application for registration thereof, constitutes, or the essential part of which constitutes, a reproduction, imitation or translation of a trade mark which is entitled to protection under the Paris Convention as a well-known trade mark within the meaning of section 35 (1) of this Act and which is used for goods or services identical or similar to the goods or services in respect of which the trade mark is well-known and where such use is likely to cause deception or confusion;
- 7.3. section 10(7) of the Act, namely a mark the application for registration of which was made *mala fide*;
- 7.4. section 10(12) of the Act, namely a mark which is inherently deceptive or the use of which would be likely to deceive or cause confusion, be contrary to law, be *contra bonos mores*, or be likely to give offence to any class of persons; and
- 7.5. section 10(16) of the Act, namely a mark which is the subject of an earlier application as contemplated in subparagraph (15), if the registration of that mark is contrary to existing rights of the person making the later application for registration as contemplated in that paragraph.

[8] In the interdict judgment I have held that the opponent had not proved that its mark is well-known and also that the goodwill had not been properly established in order to sustain an interdict on the basis of passing off. In this application there is the additional allegation that the opponent sells about €758 000 of ARBITER branded products to South Africa per year. However this allegation is made only in the replying affidavit and I therefore do not place reliance thereon. As I have held in the interdict judgment the goodwill had to be properly proven by *inter alia* detailing the turnover of business with South African customers over the years.

[10] Because of my findings in the interdict application most of the grounds of opposition can therefore not succeed. However the opposition based on section 10(7) of the Act deserves further attention.

[11] It is not in dispute that the applicant was for many years, until as recently as 2012, an importer and distributor of the opponent's ARBITER branded goods neither is it in dispute that the opponent's business under the ARBITER mark started as long ago as 1954. In the answering affidavit herein the applicant states that there are other parties other than the opponent who design and manufacture ARBITER branded footwear. The applicant does not state who these other parties are.

[12] In my view it is sufficiently established that the opponent was the originator of ARBITER branded goods and any other manufacture is therefore not manufacture of the original genuine goods but constitutes copying.

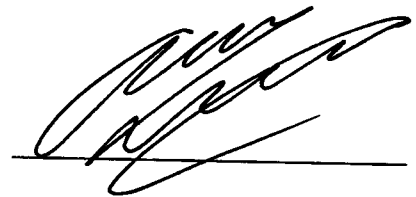
[13] I therefore find that having for many years imported and distributed the opponent's ARBITER goods the applicant has now started to source counterfeit goods from another, unnamed, manufacturer.

[14] In adopting this approach and then for the applicant to apply for registration of the mark being well aware of the opponent's rights, can only be described as *mala fide*.

[15] I therefore hold that the ground of opposition based on section 10(7) of the Act has to succeed and that the applicant's application for registration has to be refused.

Order

Application number 2011/14756 ARBITER in class 25 in the name of the applicant is refused with costs.

A handwritten signature in black ink, consisting of stylized, overlapping loops and strokes, positioned above a horizontal line.

A.A. LOUW

Judge of the High Court