



COMPANIES TRIBUNAL OF SOUTH AFRICA

Case/File Number: CT001Aug2015

In the matter between:

THE SCOTT FETZER COMPANY

Applicant

and

KIRBY SERVICE AND REPAIR CENTRE (PTY) LTD

Respondent

Presiding Member : Khashane La M. Manamela (Mr.)

Date of Decision : 02 November 2015

DECISION (Reasons and an Order)

Khashane La M. Manamela

[1] On 10 June 2015 I refused an application brought by the applicant herein on the basis that no good cause was shown for bringing the application against the registration of the respondent company's name when it did.¹ The applicant in this new application extensively explained when and how it became aware of the existence of the respondent's name and the steps it took from the moment it became aware of such existence. I am satisfied that the applicant has shown good cause and will proceed to deal with the merits of the matter. I will only repeat the material part of the background material in the previous application.

[2] The issue to be determined is whether the respondent's name as cited above satisfies the requirements of sections 11(2)(b) and 11(2)(c) of the Companies Act 71 of 2008 (the Act) or not.² The applicant submits that the respondent's name is confusingly similar to its trade mark "KIRBY" or falsely suggests an association between the respondent and the applicant. The respondent has not filed any papers in opposition to the relief sought by the applicant. The application was served by the sheriff by way of affixing at the

¹ The application was made under case or file number: CT005Feb2015.

² Sections 11(2)(b) and (c) read as follows in the material part:

"(2) The name of a company must-

(a)...

(b) not be confusingly similar to a name, trade mark, mark, word or expression contemplated in paragraph (a) unless -

(i) in the case of names referred to in paragraph (a)(i), each company bearing any such similar name is a member of the same group of companies;

(ii) ...

(iii) in the case of a name similar to a trade mark or mark referred to in paragraph (a)(iii), the company is the registered owner of the business name, trade mark or mark, or is authorised by the registered owner to use it; or

(iv) ...

(c) not falsely imply or suggest, or be such as would reasonably mislead a person to believe incorrectly, that the company-

(i) is part of, or associated with, any other person or entity..." [underlining added for emphasis]

respondent's registered office address.³ The premises at the address are now occupied by a new person. The same address is indicated as the postal address of the company and both the postal and residential address of the company's sole director.⁴ The applicant tried to determine the current whereabouts of the respondent without success. In my view the applicant is not required to do more than what the Companies Regulations, 2011⁵ require.⁶ Therefore, I am certain that the application was adequately served as contemplated by the relevant regulations and that the respondent is in default of filing an answer to the application.⁷

[3] The applicant's "KIRBY" trade mark is registered in classes 09 and 37 in respect of goods and services in "*Electrical apparatus and their parts and attachments and accessories, for cleaning, washing and polishing purposes*" [class 9]⁸, and in "*Constructions and repair*" [class 37]⁹. Although there is no evidence in this regard, the respondent's name suggests that its business is in

³ See sheriff's return dated 12 August 2015 included as annexure "JES1" to the application for default order.

⁴ See certificate issued by the Commissioner of Companies and Intellectual Property Commission on 09 July 2015 attached to the application as annexure marked "B" which provides "Enterprise Information" and details of members or directors of the company.

⁵ The Companies Regulations were made by the Minister of Trade and Industry in terms of s 223 of the Companies Act 71 of 2008 and published under GN R351 in Government Gazette 34239 of 26 April 2011 (Companies Regulations).

⁶ The method of delivery employed by the applicant is one of the methods listed in Table CR 3 of Annexure 3 of the Companies Regulations.

⁷ Regulation 153 reads as follows:

"153. Default orders

(1) If a person served with an initiating document has not filed a response within the prescribed period, the initiating party may apply to have the order, as applied for, issued against that person by the Tribunal.

(2) On an application in terms of sub-regulation (1), the Tribunal may make an appropriate order—

(a) after it has heard any required evidence concerning the motion; and

(b) if it is satisfied that the notice or application was adequately served." [underlining added for emphasis]

⁸ See p 1 of the extract from the Trade Mark Register dated 14 August 2014 attached to the supporting affidavit to this application.

⁹ *Ibid* on p 2 thereof.

service and repairs. It is also not clear what the servicing and repairing is in respect to what area of business. Due to the respondent's non-participation in these proceedings, we would not know what informed the respondent's or its proprietor's choice of the word or element "KIRBY" as part of the respondent's name. However, I am still required to make the determination even with the evidence being very parsimonious.

[4] Firstly whether the respondent's name is confusingly similar to the applicant's trade mark as contemplated in section 11(2)(b) of the Act. It is submitted that the dominant and most distinct part of the respondent's name is the word or element "KIRBY".¹⁰ This word incorporates the whole of the applicant's trade mark.¹¹ It is also submitted that as the respondent's business area is not described in its certificate of incorporation, it may now or in the future include the areas of interest to the applicant.¹²

[5] I do not agree that the respondent's name is confusingly similar to the applicant's trade mark. The name has to be considered in its totality. The inclusion of the word or element "KIRBY" does not *per se* render the name confusingly similar. There is also no evidence of any confusion or even potential confusion except the applicant's official's say-so. All the submissions made are simply suppositions. They do not sustain the claim made in this regard.

¹⁰ See paragraph 5.1.4 on page 13 of the founding affidavit.

¹¹ *Ibid.*

¹² See footnote 4 above.

[6] Now to determine whether the inclusion of the word or element “KIRBY” falsely implies or suggests, or would reasonably mislead a person to believe incorrectly that, the respondent is part of, or associated with the applicant as contemplated by section 11(2)(c) of the Act or not. As I have stated above, there is no evidence as to the origin of the word or element “KIRBY” in the respondent’s name. Therefore, there is nothing to gainsay the submission that the respondent may have attempted to get an advantage in the marketplace linked to the adoption and use of the name involving the applicant’s trade mark “KIRBY”. I will make an order that the respondent’s name is unsatisfactory of this statutory provision.

[7] The applicant also requested this Tribunal to accompany a successful finding with an order of costs against the respondent. I do not think the circumstances of this matter warrant the exercise of my discretion as requested by the applicant.¹³ There is nothing herein suggesting that the respondent was somewhat *mala fide* in the choice of the impugned name. Therefore, I will not mulct the respondent with any costs and the order made will reflect this.

[8] The following administrative order is made:

- a) the respondent’s registered company name “KIRBY SERVICE AND REPAIR CENTRE” does not satisfy the requirements of section 11(2)(c) of the Companies Act 71 of 2008;

¹³ See regulation 156(1) of the Companies Regulations.

- b) the respondent is directed to choose and register another company name, which company name should satisfy the requirements of the Companies Act 71 of 2008;
- c) the respondent should complete the activities ordered in b) above within four (04) months of service of this order upon the respondent;
- d) there is no order as to costs.

Khashane La M. Manamela
Member, Companies Tribunal
02 November 2015