

**IN THE COMPANIES TRIBUNAL OF THE REPUBLIC OF SOUTH AFRICA  
(‘THE TRIBUNAL’)**

**Case No.: CT009Jun2016**

In the matter between:

**DIAGEO BRANDS B.V**

Applicant

and

**JONNY WALKER FAST FOOD (PTY) LTD**

Respondent

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**DECISION**

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**INTRODUCTION**

[1] This is an application in terms of section 160 of the Companies Act 71 of 2008 (the “Act”) read with section 11(2) and further read with Regulation 13 and 142 of the Companies Act (GNR 351 of 265 April 2011) (the “Regulations”).

[2] The Applicant, in its application dated 14 June 2016 together with the affidavit of Katherine Sue Ying Tsang and annexures, requests the Companies Tribunal (the “Tribunal”) to make an order that the Respondent is directed to choose a new name that is not similar to or to be confused with the JOHNNIE WALKER trade mark, on a default basis.

## **PARTIES**

- [3] The Applicant is Diageo Brands B.V is a Dutch company with its registered business address at Molenwerf 12, 1014 BG, Amsterdam and forms part of the Diego Group of Companies. One of the Applicant's brands is Johnnie Walker.
- [4] The Respondent is Jonny Walker Fast Food (Pty) Ltd with registration number 2015/348335/07, a registered company with registration number K2014/016044/07 and having its registered place of business at 1839 Morwatshidi Street, Huhudi Location, Vryburg, North West, 8601.

## **PROCEDURE**

- [5] Before an Applicant can bring an application for a default order the Applicant must comply with Regulation 142 and Regulation 143 of the Companies Regulations.
- [6] In accordance with Regulation 142 of the Regulations, the Applicant is obliged to serve a copy of the application and the affidavit on the Respondent within 5 business days after filing it with the Tribunal.
- [7] The Applicant filed the application and supporting affidavit with the Tribunal on 28 April 2016.
- [8] The Applicant served the application on the Respondent on 6 May 2016 by Sheriff on Mr. George Moula, an employee at the

Respondent's registered address, 328 Victoria Road, Pietermaritzburg, Kwa-Zulu Natal. A copy of the Sheriff's service notice was provided to the Tribunal.

[9] In light of the above, I am satisfied that there has been substantial compliance of Regulation 142 of the Regulations by the Applicant.

[10] The Respondent has to date not filed opposing or answering papers.

[11] As a result, the Applicant has brought an application for a default order in terms of Regulation 153(1) of the Regulations.

[12] The Applicant filed an application for a default order with the Tribunal on 1 July 2016.

[13] Finally, Regulation 153(2)(b) of the Regulations also states that the Tribunal may make an appropriate order, if it is satisfied that the notice or application was adequately served.

[14] In the circumstances, I am satisfied that the application for a default order by the Applicant was adequately served.

#### **APPLICANT'S APPLICATION**

[15] In support of its application, the Applicant relies on the following:

[15.1] the Applicant is the registered proprietor of the Johnnie Walker trade mark across the globe, including South African trade mark registrations which are valid and in force.

[15.2] Johnnie Walker is the biggest selling scotch whiskey brand in the world and is sold in over 20 countries. Johnnie Walker is the biggest whisky brand in the world and has become even more popular through recognition of its quality.

[15.3] The Applicant has made extensive and continued use of the Johnnie Walker trade mark throughout the world, including South Africa, through most forms of media and the Applicant has invested in excess of billions of Rand globally for the promotion of the Johnnie Walker brand.

[15.4] Through the KEEP WALKING SOUTH AFRICA campaign, the Johnnie Walker trade mark has become an iconic symbol in South Africa.

[15.5] During 2010 to 2014, the Applicant sold millions of Johnnie Walker branded whisky in South Africa and the Applicant has therefore acquired strong rights in the Johnnie Walker trade mark under the common law in addition to its statutory rights and therefore qualifies as a well known trade mark in South Africa.

[15.6] The Respondent has included the JONNY WALKER mark in its company name, which is phonetically identical and visually similar to the Applicant's registered JOHNNIE WALKER trade mark. In this regard, the Respondent is attempting to benefit from the significant reputation that the Applicant has built up. Due regard must therefore be taken of the unfair advantage that the Respondent is seeking to achieve by using virtually identical company name as that of the Applicant's trade mark.

[15.7] The notional customer will, in all probability, remember JONNY WALKER as the name of the organization where goods can be purchased at a store with JOHNNIE WALKER as its name.

[15.8] The dominant feature that is immediately brought to mind by the mark JOHNNY WALKER aurally, visually and in concept.

[15.9] JONNY WALKER is the salient or striking feature in JONNY WALKER FAST FOOD (PTY) LTD. The dominant feature JONNY WALKER is virtually identical to JOHNNIE WALKER.

[15.10] The adoption of JONNY WALKER into JONNY WALKER FAST FOOD (PTY) LTD does nothing to obscure or otherwise change the identity of the applicant's trade mark.

[15.11] The applicant has not consented to the use of its trade mark or a confusingly similar mark by the respondent.

## THE APPLICABLE LAW

- [16] The relief the Applicant seeks is in terms of section 160(1) of the Act, which provides for the right to seek specific remedies in respect of disputes concerning reservation or registration of company names and the relevant parts of the section reads:

*"... Any other person with an interest in the name of a company, may apply to the Companies Tribunal in the prescribed manner and form for a determination whether the name satisfies the requirements of section 11."*

- [17] It is clear from this section that any person who has an interest in the name of the company can apply to the Tribunal for relief.

- [18] Section 160(2) of the Act sets out the prescribed manner and form and reads:

*"An application in terms of subsection (1) may be made—*

*(b) On good cause shown at any time after the date of the reservation or registration of the name that is the subject of the application, in any other case."*

- [19] The powers for determination of the Tribunal are set out in section 160(3) of the Act and reads:

*"After considering an application made in terms of subsection*

*(1), and any submissions by the applicant and any other person with an interest in the name or proposed name that is the subject of the application, the Companies Tribunal—*

*(a) Must make a determination whether that name satisfies the requirements of section 11; and*

*(b) May make an administrative order directing—*

*(ii) A company to choose a new name, and to file a notice of an amendment to its Memorandum of Incorporation, within a period and on any conditions that the Tribunal considers just, equitable and expedient in the circumstances, including a condition exempting the company from the requirement to pay the prescribed fee for filing the notice of amendment contemplated in this paragraph."*

[20] Section 11 provides primarily for the protection against infringement of a registered company name or trademark and section 11(2) lays out the criteria for company names.

[20.1] Section 11(2)(a)(iii) provides that the name of a company must not be the same as a registered trade mark belonging to a person other than the company, or a mark in respect of which an application has been filed in the Republic for registration as a

trade mark or a well-known trade mark as contemplated in section 35 of the Trade Marks Act, 1993 (Act No. 194 of 1993), unless the registered owner of that mark has consented in writing to the use of the mark as the name of the company;

[20.2] Section 11(2)(b)(iii) provides that the name of a company must not be confusingly similar to a name, trade mark, mark, word or expression unless the company, or a person who controls the company, is the registered owner of the business name, trade mark or mark or is authorized by the registered owner to use it; and

[20.3] Section 11(2)(c)(i) provides that the name of a company must not falsely imply or suggest, or be such as would reasonably mislead a person to believe incorrectly, that the company is part of, or associated with, any other person.

## **EVALUATION**

[21] In terms of subsection 2(a), the Tribunal has to determine whether the Respondent's company name is the same as the Applicant's trademark. The Applicant is the registered owner of JOHNNIE WALKER trademark in various classes. The Respondent has used the word JONNY WALKER in its company name. It is obvious that WALKER is the same (identical) in both names. JONNY, however, is not the same as JOHNNIE because of the minor discrepancy on the spelling of

the word. JONNY WALKER can be considered as the main or dominant feature.

[22] In terms of subsection 2(b), the Tribunal has to determine whether the Respondent's company name is confusingly similar to the name or trademark of the Applicant. The Companies Act does not define or explain what is meant by "confusingly similar" in subsection 2(b). However, there has been several disputes in which elements or other instruments are said to be "confusingly similar" in trademarks as opposed to company names. For example, section 34(2)(g) of the Trade Marks Act 194 of 1993. "Similar" would be "having a marked resemblance or likeness" and that the offending mark (or name) should immediately bring to mind the well-known trademark (or other name).<sup>1</sup> As to the requirement for "confusingly" similar, the test, as in the case of passing-off, should be "...a reasonable likelihood that ordinary members of the public, or a substantial section thereof, may be confused or deceived into believing that the goods or merchandise of the former are the goods or merchandise of the latter or are connected therewith. Whether there is such a reasonable likelihood of confusion or deception is a question of fact to be determined in the light of the particular circumstances of the case"<sup>2</sup>. The Respondents name has a

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<sup>1</sup> Bata Ltd v Face Fashions CC 2001 (1) SA 844 (SCA).

<sup>2</sup> Adidas AG & another v Pepkor Retail Limited (187/12) [2013] ZASCA 3 (28 February 2013) para 28; Capital Estate and General Agencies (Pty) Ltd and Others v Holiday Inns Inc. and Others 1977 (2) SA 916 (A) at 929. In this regard, the Applicant in the **Century City Property Owners Association v Century City Apartments Property Services CC and Others**

marked resemblance or likeness to the Applicants name and trademarks and that the offending name immediately brings to mind the well-known JOHNNIE WALKER trademark.

[23] The same principles in respect of subsection (2)(b) would also apply in respect of subsection (2)(c) because in this instance, apart from the requirement that the name must falsely imply, which, it is submitted, requires fault, it can, alternatively also “reasonably mislead a person to hold a certain belief”.

[24] Although the JOHNNIE and JONNY are not spelled the same, they do compare aurally. The spelling does visually differentiate the two. We therefore have to look at the notional customer and how such a customer would remember both names.

[25] When considering the notional customer, comparing the names and marks and how the names are viewed as they are encountered in the market place (the names will not be kept side by side), I agree with the Applicant that the notional customer will in all probability remember JOHNNIE WALKER as the name of the organization. JOHNNIE

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(17225/2005) [2008] ZAWCHC 63 (26 November 2008) case had a vested right in the name CENTURY CITY in that it was registered as its trademark. The court found that there was a reasonable likelihood that first respondent’s business name may confuse or deceive the public into believing that the first respondent’s business is or is connected with applicant’s business and that that confusion or deception will probably cause damage to applicants business.

WALKER is therefore the dominant feature and is the main idea or impression left on the mind of the customer.

## **FINDINGS**

[26] The name JOHNNIE WALKER is confusingly similar to JONNY WALKER FAST FOOD and that there is a reasonable likelihood of confusion.

## **ORDER**

I make an order in the following terms:

- a) The Respondent is directed to change its name to one, which does not incorporate and is not confusingly and/or deceptively similar to Applicant's trademarks.
- b) This Order must be served on the Applicant, Respondent and the Registrar of Close Corporations of the Companies and Intellectual Property Commission.
- c) Any other person with an interest in the name that is the subject of this application may, within twenty (20) business days after receiving the Notice of this Order, apply to a court to Review the Order.

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**ADV LIZELLE HASKINS**

MEMBER OF THE COMPANIES TRIBUNAL

DATED: 8 DECEMBER 2016