



IN THE COMPANIES TRIBUNAL OF SOUTH AFRICA

Case No: CT002FEB2018

In the matter between:

TOTAL SA

APPLICANT

And

TOTAL SOLAR TECHNOLOGY (PTY) LTD

1ST RESPONDENT

**THE COMPANIES & INTELLECTUAL
PROPERTY COMMISSION**

2ND RESPONDENT

Presiding Member of the Tribunal: Kasturi Moodaliyar

Date of Decision: 29 May 2018

DECISION (Reasons and Order)

INTRODUCTION

[1] This application is in terms of section 160 of the Companies Act 71 of 2008 (the “Act”). The Applicant requests an order directing the Respondent to change its name because it does not comply with section 11 of the Companies Act.

BACKGROUND

[2] The Applicant is TOTAL SA, a company incorporated in France in 1924 with registration number 542 051 180. The Applicant, together with its subsidiaries and affiliates, is the world's fourth largest publicly-traded integrated oil and gas company. The Applicant's registered business address is 2 Place Jean Millier, La Defense 6, 92400 Courbevoie, France.

[3] The First Respondent is TOTAL SOLAR TECHNOLOGY (PTY) LTD, a company incorporated in terms of the company laws of South Africa, registration number 2012/122970/07, with registered address at 8 Jan Ellis Street, The Reeds, Pretoria, Gauteng, 0158.

[4] The Second Respondent is the Companies of the Companies and Intellectual Property Commission of South Africa (CIPC) appointed in terms of section 189 of the Companies Act No 71 of 2008 ("the Act"). The second Respondent is cited in its official capacity as the entity responsible for the function of the Commission of Companies, including but not limited to, the reservation of company names and the registration of companies in terms of the Act.

SERVICE

[5] A copy of the application must be served on the Respondent at its registered address within 5 days of filing it with the Companies Tribunal as required by regulation 142(2).

[6] The copy of the application was properly served on the First Respondent by the Sherriff of Centurion West on 9 February 2018, who indicates that it was served on the First Respondent at the given address by affixing the copy to the principle door of the business. This service is in accordance with Rule 4 (1)(a)(iv) of the High Court Rules.

[7] The First Respondent had twenty (20) business days to respond and no answering affidavit was received by the First Respondent within that time. As a result, the Applicant now applies on FORM CTR 145 for a default order in terms of regulation 153.

[8] The application was properly served by the Sherriff of Centurion West on the First Respondent's principle place of business. I am consequently satisfied that the First Respondent's lack of participation in these proceedings is not due to the lack of service or knowledge of the process and that this application is unopposed.

PRELIMINARY ISSUE

[9] It has come to the attention of the Tribunal that the First Respondent has been registered as a business since 27 July 2012 and the application for relief was filed with the Companies Tribunal by the Applicant on 1 February 2018.

[10] An affidavit deposed to by Likonelo Magagula, attorney to the Applicant, states that the Applicant took action against the First Respondent immediately upon being alerted of its existence.

[11] A letter of demand was addressed to the First Respondent on 2 October 2017, requesting the First Respondent to cease using the "TOTAL SOLAR" name or any other name that incorporates the name "TOTAL".

[12] The Applicant submitted that it had not caused any unnecessary or unreasonable delay in instituting proceedings against the First Respondent and submits that they were not informed by notice in terms of section 12 by the CIPC that the First Respondent's name wholly incorporated the Applicant's various TOTAL company names and registered trademarks. Section 12(3) requires the CIPC to serve the application of the reservation for Total Solar Technology to the Applicant,

to enable the Applicant to object timeously to the registration of this name. However, this was not done.

[13] Be this as it may, the Applicant also through its attorneys conducted ad hoc searches of the Companies Register which it says it cannot be done on a regular basis.

[14] The Applicant did not receive any response to the letter of demand by the First Respondent.

[15] Although it is unclear as to exactly when the Applicant became aware of the existence of the First Respondent, the Tribunal is satisfied of the steps that the Applicant took to address the Respondent with respect of this name dispute.

[16] The Tribunal has also considered the High court decision of *The Highly Nutritious Food Company (Pty) Ltd VS Eat Right Catering (sic) Services*¹ interest of justice (Pty) Ltd in this regard which held that “this section [sec 160(2)(b)] requires the Applicant to furnish a reasonable explanation as to why the application should be entertained by the Tribunal. It does not require an explanation as to the delay in bringing the application but refer to the merits of the application as well to determine whether it is in the interest of justice to entertain the application.”

[17] In the interest of justice, the Tribunal has thus decided to entertain the merits of this application in terms of Section 11(2)(a) of the Companies Act.

MAIN ISSUES

[18] An affidavit in support of the CTR142 was deposed to by Stéphanie Polselli, the head of the trade marks department of the

¹ Unreported decision. High Court Gauteng Local Division, Case number 91718/2016.

Applicant, and duly authorized to depose the affidavit on behalf of the Applicant by the Power of Attorney dated 6 November 2017.

[19] The Deponent submitted that the Applicant is the registered proprietor of the trademark "TOTAL" which was registered as classes 01, 03 04, 11,19, 21,35, 37, 39, 40 and 41 in respect of the trademark registration/s is in terms of the Trade Marks Act No.194 of 1993 ("Trade Marks Act").

[20] The Deponent provided that the Applicant operations in more than 130 countries and its business includes all aspects of the petroleum industry from exploration to marketing (upstream research, exploration, production of oil and gas, downstream refining and marketing of petroleum products, trading and transportation of crude oil, gas and finished products), as well as in the development of complementary next generation energy activities (solar, biomass, nuclear). The Applicant and several of its subsidiaries are listed on various Stock Exchanges around the world.

[21] The Applicant has other companies registered on the CIPC register which include: Total E&P South Africa BV, Total Overseas Holding (Pty) Ltd, Total South Africa (Pty) Ltd and Totalgaz Southern Africa (Pty) Ltd. The Applicant asked the Tribunal to note that most of the companies in the Total Group have the name which includes TOTAL.

[22] The Deponent provides that as a result of the Applicant's use of its TOTAL trade mark, it has built up a substantial and extensive reputation in this name and trade mark. It believes that the Applicant's reputation is such that members of the public associate the name and trade mark TOTAL exclusively with the Applicant and its services causing irreparable harm to the Applicant.

[23] The Applicant states that the First Respondent has taken the striking feature of the Applicant's "TOTAL" trade mark and has adopted the entire trade mark. It argues that nothing turns on the fact that the

Respondent has added Solar Alternative Energy as these words are merely secondary and descriptive and that the inclusion of those words exacerbate the likelihood of confusion and deception between the Applicant's business and the First Respondent.

[24] The Applicant believes that a reasonable person encountering the First Respondent's name can readily assume from the company name that it trades in solar energy and therefore draw a link between the First Respondent and the Applicant, as the Applicant is also involved in solar energy. A consumer is likely to believe that the First Respondent is one of the Applicant's subsidiaries.

[25] The Applicant requests the Companies Tribunal to make an order that the First Respondent change its company name because the use of the First Respondent's name in commerce would constitute an infringement on the Applicant's TOTAL trademark.

APPLICABLE LAW

[26] Section 11(2) of the Act is primarily about protection against infringement of a registered company name or trademark, and the applicable sections reads as follows:

"Section 11(2): The name of the company must:

a) not be the same as:

(i) the name of another company, domesticated company, registered external company, CC or co-operative;

(ii) a name registered for the use of a person other than the company itself, or a person controlling the company as a defensive name in terms of Section 12(9), or as a business name in terms of the Business Names Act, 1960, unless the registered user of that defensive name or business name has executed the necessary documents to transfer the registration in favour of the company;

(iii) a registered trademark belonging to a person other than the company, or mark in respect of which an application has been filed in the Republic for registration as a trademark or a well-known trademark as contemplated in section 35 of the Trade Marks Act, 1993, unless the registered owner of

that mark has consented in writing to the use of the mark as the name of the company; or

(iv) a mark, word or expression the use of which is restricted or protected in terms of the Merchandise Marks Act, 1941, except to the extent permitted by or in terms of that Act;

b) not be confusingly similar to a name, trademark, 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) in the case of a company name similar to a defensive name or to a business name referred to in paragraph (a)(ii), the company, or a person who controls the company, is the registered owner of that defensive name or business name;

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

(iv) in the case of a name similar to a mark, word or expression referred to in paragraph (a)(iv) the use of that mark, word or expression by the company is permitted by, or in terms of the Merchandise Marks Act;

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;”

[27] The Applicant seeks remedies in terms of Section 160 which reads as follows:

“Section 160.

(1) A person to whom a notice is delivered in terms of section 12(3) or section 14(3) or 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.

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

(a) within three months after the date of a notice contemplated in subsection (1), if the applicant received such a notice; or

(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.

(3) 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—

(i) the Commission to—

(aa) reserve a contested name for the applicant in terms of section 12;

(bb) register the contested name, or amended name as the name of company; or
(cc) cancel a reservation granted in terms of section 12, if the reserved name has not been used by the person entitled to it; or
(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."

EVALUATION

[28] The Companies Act does not define what is meant by "good cause" in terms of s 160(2)(b) and it is not clear whether it refers to substantive grounds (such as e.g. s 11) or whether it refers to the period of time within which the application should be launched.

[29] Based on the context of sub-s (2) of s 160, it would seem that the sensible interpretation will be that it refers to the period within which to launch the application.²

[30] The reason for the requirement that there must be good cause shown why the application was launched at a particular date would appear to be that the person doing business under a particular name, that has been registered by the Companies and Intellectual Property Commission, is not prejudiced by a belated challenge which could affect the goodwill built up in using the name.³

[31] The applicant attempts to address the period since it became "aware" of the name, to the date of the launching of the objection.

² See *Natal Joint Municipal Pension Fund v Endumeni Municipality* 2012 (4) SA 593 (SCA) para 18.

³ See also *Comair Limited vs Kuhlula Training, Projects and Development Centre (Pty) Limited* CT007Sept2014 of 27 February 2015.

[32] As stated above under the heading “Preliminary Issues” it is not clear from the evidence before the Tribunal as to when the Applicant became aware of the Respondent’s registered company name. The reasoning under that heading will not be repeated here, save to say that the Tribunal accepts that the Applicant has satisfied the requirement contemplated in section 160(2)(b).

[33] The Companies Tribunal must evaluate whether the name satisfies the requirements set out in Section 11(2) of the Act.

[34] To evaluate the meaning of the words contemplated in section 11 (2) I will rely on the guidance of the common law where applicable.

[35] The word “similar” as stipulated in section 11(2)(b) would be described as “having a marked resemblance or likeness”⁴ and that the offending mark or name should immediately bring to mind the well-known trade mark or other name. Courts place a determination on whether the mark or names are “the same or confusingly similar” and whether the mark or name is able to “falsely imply or suggest, or be such as would reasonably mislead a person to believe incorrectly, that the [First Respondent] company is part of, or associated with” the Applicant company.⁵

[36] In *Plascon-Evans Paints Ltd v Van Riebeeck Paints (Pty) Ltd* the court held that the “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 market place and against the background of relevant

⁴ See *Bata Ltd v Face Fashions* CC 2001 (1) SA 844 (SCA).

⁵ See *Deutsche Babcock SA (Pty) Ltd v Babcock Africa (Pty) Ltd* 1995 (4) SA 1016; *Bata Ltd v Face Fashions* CC 2001 (1) SA 844 (SCA);

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.”⁶

[37] The Applicant also directed the Tribunal to the *Metcash Trading Limited v Rainbow Cash and Carry CC*⁷ decision, where RAINBOW STORES and RAINBOW CASH AND CARRY were found to be confusingly similar, and the court held that it is unlikely that two service marks will be found side by side on a shelf but rather “the notional customer with imperfect recall would probably remember that goods can be purchased at a store with RAINBOW as its name. The additions of the words ‘STORE’ and ‘Cash and Carry’ would merely be indicative of a place where the products are sold”.

[38] The Applicant submits that the notional customer will in all probability remember TOTAL as the name of the organization which offers services in much the same way that RAINBOW was held to be so remembered in the decision cited above. The Applicant emphasizes that TOTAL is the salient or striking feature of the First Respondent's company name and of the Applicant's company name and trade marks. The adoption of the words “Solar Technology” into the First Respondent's name does nothing to obscure or otherwise change the identity of the Applicant's registered trade marks and company name.

[39] Thus, the Applicant states, that the Total Solar Technology name is

⁶ 1984 (3) SA 623 (A) at 641 B-C.

⁷ Unreported decision, TPD case no 4339/01 of 8 November 2001.

confusingly similar to the Applicant's trade marks and company name and offends against the provisions of section 11 of the Companies Act.

FINDINGS

[40] It is logical that the First Respondent ought to have known that its name incorporated the well-known trademark of the Applicant.

[41] It is my view that the Applicant's trademarks and company name "TOTAL" and the First Respondent's name "TOTAL SOLAR TECHNOLOGY" when placed side-by-side, not only contain the identical dominant word, but to a reasonable person it would appear confusingly similar.

[42] The First Respondent's registered company name "TOTAL SOLAR TECHNOLOGY" incorporates the whole of the Applicants trademark "TOTAL". A person could reasonably be misled to believe incorrectly that the First Respondent's company is part of or associated with the Applicant's company. This would surely be prejudicial to the Applicant's trademarks and brand.

ORDER

[43] I proceed to make the following order;

- a) The Applicant's application is granted in terms of Section 160(3) of the Companies Act.
- b) The First Respondent is directed to change its name to one that does not incorporate and is not confusingly and/or deceptively similar to its TOTAL company name and trademarks.
- c) The First Respondent is ordered to a notice of an amendment of its Memorandum of Incorporation, within 60 days of receipt of this order.

- d) The First Respondent is hereby exempted from the requirement to pay the prescribed fee for filing the notice of amendment contemplated in this paragraph.
- e) This Determination must be served on the Applicant, First Respondent and the Registrar of Close Corporations of the Companies and Intellectual Property Commission (CIPC).
- f) 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 determination and administrative order, apply to a court to review the determination.
- g) There is no order of costs in relation to this application.
- h) Should the First Respondent fail to comply with the relief ordered above, that the Companies and Intellectual Property Commission be ordered to change the First Respondent's name to "2012/122970/07 (Pty) Ltd", as the Respondent's interim company name on the Companies Register.

KASTURI MOODALIYAR

COMPANIES TRIBUNAL: MEMBER