



**HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)**

(1) REPORTABLE: NO.
(2) OF INTEREST TO OTHER JUDGES: NO
(3) REVISED. ✓

DATE: 28/08/2023

SIGNATURE [REDACTED]

Case no. 48200/18

In the application between:

UNITED STATES POLO ASSOCIATION

Applicant

and

**LA GROUP (PTY) LTD
REGISTRAR OF TRADE MARKS**

**First Respondent
Second Respondent**

IN RE:

**LA GROUP (PTY) LTD
and**

Applicant

**UNITED STATES POLO ASSOCIATION
REGISTRAR OF TRADE MARKS**

**First Respondent
Second Respondent**

JUDGMENT

The judgment and order are published and distributed electronically.

P A VAN NIEKERK AJ

INTRODUCTION:

- [1] Applicant is the UNITED STATES POLO ASSOCIATION ("USPA") the holder of certain trademarks registered on the South African Register of Trade marks (to which more reference will be made infra). Applicant is an association registered in the United States of America.
- [2] Respondent is LA GROUP (PTY) LTD ("LA Group"), a company duly registered in the Republic of South Africa with principal place of business in the Western Cape, South Africa.
- [3] On 25 April 2023 Applicant served a Notice of Application in terms of Rule 30A on Respondent, wherein Applicant gives notice that the Applicant intends to apply for an order in the following terms:
- "1. Directing that LA Group (Pty) Ltd ("LA Group") comply with USPA's notice in terms of rule 35(12) by producing for its inspection, within 5 days from the date of this order, the following document referred to in the supplementary founding affidavit of MS Alicia Kabini, dated 6 March 2023;
- "The agreement between the appellant and Ralph Lauren", as referred to by the Supreme Court of Appeal in paragraph 199 of its judgment in the

matter of LA Group (Pty) Ltd v Stable Brands (Pty) Ltd and Another (Case no. 650/2020) [2022] ZASCA 20 (22 February 2022), as reference in paragraph 5.1.7 of Ms Kabini's affidavit (referring to paragraphs 199 to 207 of the aforementioned judgment).

2. *In the event of LA Group failing to comply with the order in (1) above, an order directing that its claim in the main proceedings, being the trade mark opposition and cancellation proceedings, alternatively its supplementary affidavit and evidence dated 6 March 2023, be struck out with costs.*
3. *Granting USPA an extension of the time within which to file its supplementary evidence to a date 15 (fifteen) days from the date on which LA Group complies with the order set out in para 1 hereof alternatively to a date 15 (fifteen) days following the final dismissal of this application, including any appeals that may flow from this court's order.*
4. *Directing that the costs of this application be borne by LA Group, such costs to include the costs consequent upon the employment of two counsel."*

[4] For purposes of determining whether the Applicant is entitled to the relief as sought in the Notice of Motion, it is necessary to refer to the pending proceedings between the parties. The pending proceedings between the parties under case no. 48200/18 have a long and complex history, but the relevant facts relating thereto for purposes of this application can conveniently be summarised as set out *infra*.

- [5] On 30 June 2015 LA Group instituted opposition and cancellation proceedings against USPA in the Tribunal of the Registrar of Trade Marks ("the main proceedings"). In the main proceedings, LA Group essentially seeks the following relief:
- (i) an opposition by LA Group to USPA's trade mark application no. 2006/09942-3 US POLO ASSN & Device in class 18 and 25 and trade mark application no. 2006/09944-5 US POLO ASSOCIATION in class 18 and 25;
 - (ii) an application by LA Group for the cancellation of USPA's trademark registration no. 2004/22370 US POLO ASSOCIATION and trade mark registration no. 2007/04986 OUTLINE DOUBLE HORSEMAN & Device in class 25;
 - (iii) an application by LA Group for rectification of the trade mark register in terms of s 24(1) of the Trade Marks Act to remove the disclaimer of the word "POLO" as recorded against trade mark registration no. 2004/22370 US POLO ASSOCIATION in class 25; trade mark application no. 2006/09942-3 US POLO ASSOCIATION & Device in class 18 and 25, and trade mark application no. 2006/09944-5 US POLO ASSOCIATION in class 18 and 25, all in the name of USPA; and
 - (iv) a counter-application by USPA in which USPA seeks the cancellation of various of the trade marks registered in the name of LA Group (the counter application in the present proceedings).
- [6] The aforesaid proceedings were referred to this Court on 15 May 2018 and is presently pending under case no. 48200/18. This referral occurred after LA Group instituted urgent interdict proceedings against USPA and the authorised licensee of USPA in South Africa being Stable Brands (Pty) Ltd ("Stable Brands").

- [7] The urgent interdict proceedings were opposed by USPA and Stable Brands, and in those proceedings by way of a counter-application the cancellation of 46 trademark registrations registered in the name of LA Group were sought by Stable Brands. LA Group relied on those 46 trade marks for the relief claimed by LA Group in the urgent interdict proceedings. Of these trademarks, 9 are the subject of the counter-application in the present proceedings concerning the application of USPA for the cancellation of those trade marks in the name of LA Group.
- [8] It must be noted that all these disputes relate to the right to trade marks employing a symbol in the form of horses involved in the sport of polo, as well as use of the word "POLO" in various guises in such trademarks. The symbols and trademarks so used are well documented in reported judgments¹ and it is not necessary for purposes of this judgment to repeat same.
- [9] The main application, the urgent interdict application, as well as the counter-application thereto was set down for hearing in this Court from 5 to 9 November 2018, but at the commencement of the proceedings LA Group withdrew the urgent interdict application and tendered costs in relation thereto.
- [10] The counter-application was then dealt with during the week ending on 9 November 2018, and as a result of insufficient time remaining for the main application to be dealt with, the main application was postponed to the week of 25 to 29 February 2019. These proceedings were again postponed on request of LA Group for purposes of an application to file further affidavits in the main application. The main application was thereafter set down for hearing on 25 – 26 April 2019, and then again postponed and set down for hearing from 17 – 21 February 2020.

¹ *LA Group (Pty) Ltd v Stable Brands (Pty) Ltd & Another 2022 (4) SA 448 (SCA)*

[11] In the interim, on 29 November 2019, Van der Westhuizen J. in this Court delivered a judgment² in the counter-application in the urgent interdict proceedings, ordering all 46 trademark registrations of LA Group to be cancelled and expunged from the register.

[12] LA Group appealed the judgment of Van der Westhuizen J., resulting in the main application to be postponed by agreement between the parties pending the outcome of the appeal. On 22 February 2022 the Supreme Court of Appeal ("SCA") delivered a judgment³ upholding the appeal of LA Group ("the SCA judgment"). It was common cause between the parties that the SCA judgment would have a material impact on the main application and the parties identified the necessity to introduce further evidence in the main application and thereafter finalising the main application resulting in an agreement between the parties that LA Group was allowed to file a Supplementary Affidavit in the main application to which USPA would be entitled to file an answer. On 6 March 2023 LA Group filed a "Supplementary Founding Affidavit" deposed to by a certain Ms Alicia Kabini ("the Kabini affidavit") who is employed at the attorneys of record of LA Group.

[13] In the Founding Affidavit in support of the relief claimed by USPA in this application, the following extracts from certain paragraphs as they appear in the Kabini affidavit are quoted namely:

- (a) "3.3 When this application was before him on 20 February 2020, Van der Westhuizen J had not as yet determined [LA Group's] application for leave to appeal his decision in case no. 33268/18. In the circumstances, both [LA Group] and USPA agreed that the present application could not

² *Stable Brands (Pty) Ltd v LA Group (Pty) Ltd & Another* [2019] ZAGPPHC 567

³ *LA Group (Pty) Ltd v Stable Brands (Pty) Ltd & Another* SCA judgment referred to supra in footnote 1

proceed until the final determination of the SCA case because the outcome of the SCA case, would substantively impact on the present application. Indeed, Stable Brands' attorneys in case no. 33268/18 (who also act for USPA in this application), in an affidavit in that case, stated that cases nos. 48200/18 and 33268/18 were "inextricably linked". It was for this reason that the parties agreed to the terms of the court order annexed and marked ASK1."

- (b) "3.9 The entire record of the present matter, case no. 48200/18, at the time of its referral by the registrar of trade marks to the High Court (barring a few duplications), was included by USPA in the record of case no. 33268/18 (as annexed "EVW12") and then again in the SCA record (Core Bundle pp. 18 – 55); Main Record V1 pp. 168 – 200; V2 pp. 201 – 403; and V3 pp. 403 – 566). In short, the SCA had before it all of the affidavits and supporting evidence in the present application (barring a few duplications) that formed the original record of the registrar of trademarks and the court at the time of the referral to it."
- (c) "4.2 There is a substantial evidentiary overlap and common content between the evidence in the SCA case and in the present case. Large parts of the SCA record are identical to this one. Such common evidence and overlap include the general history and decades-long use of the POLO trademarks since 1976 (when [LA Group's] predecessor, "L'Uomo (Pty) Ltd, started the POLO business) and subsequent facts relating to use the POLO trademarks until the launch of the present application in June 2015, a period of 39 years. This common general evidence included

various affidavits and numerous annexures depicting use of the POLO trademarks”.

- (d) “4.6 However, in order to avoid any attempt by USPA to argue at the hearing of this matter that the facts, findings and judgment of the SCA case are distinguishable from, and have no bearing on, this case, [LA Group] seeks to ensure and requests that the additional evidence that was included in the SCA record (summarised below) is before this Court, so that [LA Group’s] evidence is identical to the evidence it relied on before the SCA. [LA Group] requests that this evidence, which is annexed as identified below, be included as evidence in this application.”
- (e) “5.1.6 Ralph Lauren co-existence and alleged confusion
- USPA (DCA paragraphs 81.3 (p 006-22) and 103.3 (p 006-31 – 006.32) alleges that members of the public have confused (LA Group’s] POLO goods with those of Ralph Lauren because [LA Group’s] goods co-exist in the market place with Ralph Lauren’s cosmetics. USPA alleges that [LA Group] cannot claim that the POLO trademarks are exclusively associated with it or that it has acquired a reputation in these trademarks. This issue was also raised (but in more detail) by Stable Brands in the SCA case (Core Bundle pp. 68 – 76, paras 35 to 55, and pp. 144 to 159, paras 93 – 129, sic). I refer to paragraphs [181] to [183] of the SCA judgment”.
- (f) “5.1.7 These submissions were roundly rejected by the SCA and I refer to paragraphs [199] to [207] of its judgment. The SCA disagreed on the

facts, that any consumer confusion or deception had been caused by the "valid compromise" that had been reached between [LA Group]" and Ralph Lauren. Thus, the SCA effectively accepted [LA Group's] arrangement with Ralph Lauren and that it is not objectionable".

- (g) "5.1.9 On the other hand, the SCA, at paragraphs [204] and [206], rejected Stable Brands' evidence of alleged confusion between [LA Group] and Ralph Lauren (see also paragraph 5.3.5 above, sic) and held it to be hearsay evidence. Two of the five articles adduced as evidence in the present application (DCA annexure DC9 (pp. 006-95 – 006 – 101) and pp. 006 – 104 – 0069 – 106) were also included as evidence in the SCA (Main Record V4, pp. 755 to 761) and rejected".

- [14] Following the Kabini affidavit, USPA through its attorneys of record served a Notice in terms of Rule 35(12) on LA Group's attorneys, calling for the production and inspection of the following as *verbatim* described in the Rule 35(12) notice:

"The agreement between the appellant and Ralph Lauren, as referred to by the supreme court of appeal in paragraph 199 of its judgment in the matter of LA Group (Pty) Ltd v Stable Brands (Pty) Ltd & Another (case no. 650/2020) [2022] ZASCA 20 (22 February 2020), as referred to in paragraph 5.1.7 of Ms Kabini's affidavit (referring to paragraphs 199 to 207 of the abovementioned judgment)".

- [15] On 16 March 2023 LA Group's attorneys of record responded with a "replying Notice in terms of Rule 35(12)" which essentially met the Rule 35(12) notice of USPA with the following response:

- (i) Paragraph 5.1.7 of the Kabini affidavit does not refer to any agreement with Ralph Lauren;

and

- (ii) The “arrangement” with Ralph Lauren is irrelevant.

[16] The response of LA Group as set out *supra* to the Applicant’s notice in terms of Rule 35(12) is the catalyst for the launch of this application by USPA, seeking the relief as formulated in the Notice of Motion set out *supra*.

[17] From the Heads of Argument filed on behalf of the parties and a perusal of the affidavits respectively filed on behalf of USPA and LA Group in this application it is clear that the two distinct issues requiring determination for purposes of the relief as claimed in the Notice of Motion relates to whether or not the Kabini affidavit refers to a “document” as envisaged in terms of Rule 35(12), and if so, whether such document is relevant in terms of the meaning of “relevant” under Rule 35(12) of the Uniform Rules of Court.

[18] In ***Contango Trading SA & Others v Central Energy Fund SOC Ltd & Others 2020*** (3)⁴ it was stated:

“[9] Under rule 35(12) any party who refers to a document in their pleadings or affidavits, must produce it upon receipt of a notice calling upon it to do so unless the document is irrelevant, privileged or cannot be produced. In general any reference to a document – even if not by name – triggers the entitlement to claim its production. A detailed or descriptive reference to the document is not required, but in the absence of any direct or indirect

⁴ *Contango Trading SA & Others v Central Energy Fund SOC Ltd & Others 2020* (3) SA 58 SCA, par. 9.

reference thereto, a document will not have to be produced under this sub-rule merely because its existence may be deduced by inferential reason reference must have been made to it".

[19] On the issue of relevance, Joffe J. held as follows⁵:

"The requirement of relevance, embodied in both Rule 35(1) and 35(3), has been considered by the Courts on various occasions. The test for relevance, as laid down by Brett LJ in **Compagnie Financiere et Commerciale du Pacifique v Peruvian Guano Co. (1882) 11 QBD 55**, has often been accepted and applied. See, for example, the Full Bench judgment in **Rellams (Pty) Ltd v James Brown & Hamer Ltd 1983 (1) SA 556 (N) at 564 (A)**, where it was held that:

'After remarking that it was desirable to give a wide interpretation to the words á document relating to any matter in question in the action', Brett LJ stated the principle as follows:

'It seems to me that every document relates to the matter in question in the action, which it is reasonable to suppose, contains information which may – not which must – either directly or indirectly enable the party requiring the affidavit either to advance his own case or to damage the case of his adversary. I put in the words 'either directly or indirectly' because, as it seems to me, a document can properly be said to contain information which may enable the party requiring the affidavit either to advance his own case or to damage the case of his adversary, if it is a

⁵ *Swissborough Diamond Mines (Pty) Ltd & Others v The Government of the Republic of South Africa & Others* 1999 (2) SA 279 (T) at 316 (G)

document which may fairly lead him to a train of enquiry which may have either of these consequences'.

See also Continental Ore Construction v Highveld Steel & Vanadium Corporation Limited 1971 (4) SA 589 (W) at 596H and Carpede v Choene N.O. and Another 1986 (3) SA 445 (O) at 452 C – J.”

- [20] It is important to note that relevancy is described in such wide terms in the judgment of Joffe J., quoted *supra*, as to include a document that may (not must) contain information which may (not must) advance the case of the party seeking such document or damage the case of his adversary, or which may fairly lead him to a chain of enquiry which may have either of these two consequences. This is clearly a very low threshold for the relevance test, and in my view is indicative of the fact that a Court should be absolutely certain that a document in respect of which relevance is challenged has no bearing, even indirectly, on the issues and can under no circumstances be of any assistance to either of the parties.
- [21] For purposes of this judgment the following principles in relation to the Notice in terms of Rule 35(12) *in casu* can be extrapolated from the judgments referred to *supra*:
- (a) A reference to a document need not be direct. It may be a general reference even not by name, and does not require a detailed or descriptive reference. The reference may also be indirectly;
 - (b) Where a party attempts to establish the existence of a document through a process of extended reasoning or inference to deduce that it may exist or does exist, the requirement of Rule 35(12) to establish a “reference” to a document is not met. In other words, speculation does not suffice;

- (c) A reference to a document triggers entitlement to claim production;
- (d) The obligation to produce such document, once referred to, can be avoided only on the grounds of irrelevancy or privilege;
- (e) It is not an absolute requirement for entitlement to production to illustrate relevance. What is required is that the document might have some evidentiary value and might assist the litigant in the issues in question.

[22] Turning now to the issue on whether or not paragraph 5.1.7 of the reference in the Kabini affidavit refers to a "document" it needs to be noted that the dispute between the parties in this respect relates to the fact that USPA requires LA Group to produce an "agreement between the Appellant and Ralph Lauren" as referred to in paragraph [199] of the SCA judgment whereas LA Group adopt the attitude that paragraph 5.1.7 of the Kabini affidavit does not refer to any agreement with Ralph Lauren. It therefore needs to be determined whether or not the notice in terms of Rule 35(12) can be found to refer to a document either by way of a general reference, directly or indirectly, without having to apply a process of extended reasoning to deduce that it may or does exist, without supposition or speculation.

[23] In answering the aforesaid question, in my view the following facts are relevant:

- (i) When read in proper context to the SCA judgment, paragraph 5.1.7 of the Kabini affidavit submits that certain submissions advanced on behalf of Stable Brands relating to the issue of consumer confusion were rejected by the SCA in paragraph [199] to [207] of the SCA judgment, and goes further to say that a "valid compromise" was reached between LA Group and Ralph Lauren and that such agreement did not cause such consumer confusion;

(ii) On an analysis of the relevant paragraph of the SCA judgment, referred to in paragraph 5.1.7 of the Kabini affidavit, it is clear that the SCA judgment refers to an “agreement” between LA Group and Ralph Lauren the terms of which had not been provided. In paragraph [200] of the SCA judgment the “valid compromise” is referred to in the context of the coexistence of the respective trademarks of LA Group and Ralph Lauren since 2011. The SCA judgment continues to elaborate in paragraph [200] on the effect on this “agreement”, namely the sharing of trade marks on different class of items between the LA Group and Ralph Lauren;

(iii) However, in the minority judgment of the SCA, there is also reference to this “agreement” which is at times referred to as a “settlement” or “arrangement” and it is clear from the evidence produced that this “agreement” or “arrangement” or “settlement” followed after litigation between LA Group and Ralph Lauren⁶.

[24] In my view, the reference in paragraph 5.1.7 in the Kabini affidavit to an “arrangement” and/or “valid compromise” referred to in the SCA judgment must be considered in the context of the paragraphs of that judgment to which Kabini affidavit specifically refers, being paragraphs [199] to [207] as well as the relevant paragraphs as contained in the minority judgment. As already illustrated *supra*, the majority judgment in paragraph [199] refers to this as *inter alia* an “agreement” which inevitably leads to conclude that the reference to “arrangement” or a “valid compromise” in paragraph 5.1.7 of the Kabini affidavit is a direct referral to the “agreement” also referred to in the SCA judgment. A proper reading of the SCA judgment can lead to no other logical conclusion.

[25] On an analysis of the minority SCA judgment as well as the majority SCA judgment it is clear that the SCA judgment accepted the fact of existence of an “agreement” relating to

⁶ SCA judgment, par. [11]

the coexistence of trademarks of different items entered into between LA Group and Ralph Lauren. The remaining questions on this issues is therefore to decide whether or not this "valid compromise" or "agreement" is a "document" for purposes of Rule 35(12).

[26] Considering the objective facts, being two large entities engaged in litigation over the use of trade marks with one another and then reaching an "agreement" or "valid compromise", it is hardly conceivable that such "agreement" or "valid compromise" would be concluded by way of a proverbial handshake. In my view, it is highly improbable that such a "compromise" will not be reduced to in writing and it does not take a process of extended reasoning or inference to deduce that this "agreement" or "valid compromise" in the form of a written document does in fact exist. In this regard it is further significant to note that LA Group failed to pertinently deny the existence of an "agreement" or "valid compromise" in writing, either in the Answering Affidavit or in the notice in reply to the Notice in terms of Rule 35(12) as LA Group would have been entitled to, in the event that such document did in fact not exist. Considering the contents of the Applicant's Founding Affidavit in this interlocutory application where substantial averments are made to establish the existence of such a document, it is also significant to note that LA Group has elected to adopt a technical approach based on an interpretation of paragraph 5.1.7 of the Kabini affidavit and raised the issue of relevancy, but failed therein to pertinently deny that any written agreement exists between LA Group and Ralph Lauren following the litigation referred to between those parties in the SCA judgment.

[27] I am therefore of the view that USPA satisfied the requirements under Rule 35(12) to show that LA Group referred to a "document" in paragraph 5.1.7 of the Kabini affidavit, which document is the "agreement" or "valid compromise" entered into between LA Group and Ralph Lauren pertaining to a compromise reached in previous litigation between LA

Group and Ralph Lauren and in terms whereof their respective trademarks coexisted on the South African register of trade marks. I will hereafter refer to this document as "the agreement".

[28] On the issue of relevance, regard must be had to the authorities referred to *supra* from which I have extrapolated the principle of the low threshold test. To determine whether or not the agreement may be relevant in the context of the principles referred to in such authorities, I am of the view that the following facts are relevant:

- (i) In paragraph 3.3 of the Kabini affidavit as quoted *supra*, Ms Kabini clearly introduced and relied on a statement made by the attorney who acted on behalf of Stable Brands in the litigation under case no. 33268/18 between LA Group and Stable Brands and this matter being case no. 48200/18 where it is stated that the two matters are "inextricably linked";
- (ii) In amplification of the submission that the two matters are "inextricably linked" Ms Kabini explains in paragraphs 3.9 and 4.2 of her affidavit as quoted *supra* the evidentiary overlap and common evidence in the two matters;
- (iii) In paragraph 4.6 of the Kabini affidavit as quoted *supra* it is stated that the intention of LA Group is to place before the Court in the main application (under case no. 48200/18 evidence which is "identical" to the evidence it relied on before the SCA. As is clear from both the majority judgment as well as the minority judgment in the SCA judgment, the issue of coexistence and alleged confusion between Ralph Lauren items and LA Group items was pertinently dealt with in the context of the role of the "agreement";

- (iv) More significantly, the minority judgment in the SCA drew an inference from the failure of LA Group to disclose the full terms of the agreement, and concluded that the agreement in all probability was a "licensing agreement"⁷. If indeed such an agreement constitutes a "licensing agreement", the consequences for LA Group in the main application may be catastrophic.

[29] It is clear that the issue of confusion, and in relation thereto the "agreement" referred to in the SCA judgment, is of relevance to the proceedings. In my view there is no basis upon which it can be found that the agreement may not be relevant in terms of the test of relevancy as set out in the judgment of Joffe J. quoted *supra*.

[30] In the result, USPA has satisfied the requirements for the production of the agreement and is therefore entitled to the relief claimed in paragraph 1 of the Notice of Motion. As far as paragraph 2 of the Notice of Motion is concerned, I am of the view that it is premature to grant the relief claimed therein at this stage. Should LA Group fail to comply with the order in terms of paragraph 1 of the Notice of Motion USPA may approach the court again for suitable relief and I am therefore of the view that the relief which USPA seek in paragraph 2 of the Notice of Motion should be postponed *sine die*. As far as costs are concerned, there is no reason why costs should not follow the event.

⁷ SCA judgment, par. [13]

[31] I therefore make an order in the following terms:

1. Respondent (LA Group (Pty) Ltd) is directed to comply with Applicant's (USPA) Notice in terms of Rule 35(12) by producing for its inspection, within 5 (five) days from date of this order, the following document referred to in the Supplementary Founding Affidavit of Ms Alicia Kabini dated 6 March 2023:

"The agreement between Appellant and Ralph Lauren" as referred to by the Supreme Court of appeal in paragraph [199] of its judgment in the matter of LA Group (Pty) Ltd v Stable Brands (Pty) Ltd & Another Case no. 650/2020 [2020] ZASCA 20 (22 February 2022) as referred to in paragraph 5.1.7 of Ms Kabini's affidavit (referring to paragraphs [199] to [207] of the aforementioned judgment;

2. Prayer 2 of the Applicant's Notice of Motion is postponed *sine die*;
3. USPA is granted an extension of the time within which to file its supplementary evidence to a date 15 (fifteen) days from the date on which LA Group complies with the order set out in paragraph (1).
4. Respondent is ordered to pay costs, such costs to include the costs consequent upon the employment of two counsel.



P A VAN NIEKERK

ACTING JUDGE OF THE GAUTENG DIVISION, PRETORIA

Appearances:**For the Applicant:****ADV. BOWMAN SC****ADV. I JOBERT SC****Instructed by:****SPOOR & FISHER INC****For the Respondent:****ADV. R MICHAU SC****ADV. P CIRONE****Instructed by:****ADAMS & ADAMS INC**