

# THE SUPREME COURT OF APPEAL OF SOUTH AFRICA JUDGMENT

Not Reportable

Case no: 497/2021

In the matter between:

## **GOLDEN FRIED CHICKEN (PTY) LTD**

APPELLANT

and

## **DINO VLACHOS**

### FIRST RESPONDENT

## SOUL SOUVLAKI (PTY) LTD

# SECOND RESPONDENT

Neutral citation: Golden Fried Chicken (Pty) Ltd v Vlachos and Another (497/2021) [2022] ZASCA 150 (3 November 2022)

**Coram:** PETSE AP, MAKGOKA, GORVEN AND MABINDLA-BOQWANA JJA and BASSON AJA

Heard: 2 September 2022

**Delivered**: 3 November 2022

**Summary:** Intellectual Property – Trade Marks Act 194 of 1993 – infringement proceedings – registered mark – test for deception or confusion under s 34(1)(a) of Trade Marks Act – sufficient distinction between the marks – deception or confusion not established.

#### ORDER

**On appeal from:** Gauteng Division of the High Court, Johannesburg (Yacoob J sitting as court of first instance):

The appeal is dismissed with costs.

#### JUDGMENT

# Gorven JA (Petse AP, Makgoka and Mabindla-Boqwana JJA and Basson AJA concurring)

[1] This appeal concerns the alleged infringement of a registered trade mark under the Trade Marks Act 194 of 1993 (the Act). The parties trade in food services in the restaurant sector. The appellant, Golden Fried Chicken (Pty) Ltd, trades as 'Chicken Licken' through a number of food outlets. It began trading in 1981. It has registered the words 'Soul' and 'Soul Food' under classes 29, 30, 35 and 43 of the Act. They are used extensively in its branding. It is only the registration in class 43 as a service trade mark which remains relevant in this appeal.

[2] The first respondent, Mr Dino Vlachos, is the guiding mind behind the second respondent, Soul Souvlaki (Pty) Ltd, which has traded in Greek food from

two outlets under the name 'Soul Souvlaki' since 2012. The second respondent has applied to register the trademark 'Soul Souvlaki' in classes 35 and 43. Although there was some dispute as to the joinder of the first respondent, the two respondents made common cause and, for the sake of convenience, I shall refer to them jointly as the respondents unless it is necessary to distinguish them.

[3] The appellant regards the use by the respondents of 'Soul Souvlaki' as infringing its mark. It accordingly approached the Gauteng Division of the High Court, Johannesburg (the high court) to interdict the respondents from doing so. This was met by a counter-application to remove the trade marks of the appellant from the register in all four classes as being non-distinctive. The high court dismissed both the application and counter-application with costs and refused the appellant leave to appeal. The respondents sought leave to cross-appeal. The high court said that the application for leave to cross-appeal was conditional and held that it was therefore unnecessary to decide it. This Court granted the appellant leave to appeal against the dismissal of its application. The respondent did not pursue its application for leave to cross-appeal. This renders final the judgment on the counter-application.

[4] Paragraph 1 of the Notice of Motion had sought interdicts against the respondents restraining them from infringing the marks of the appellant in classes 29, 30, 35 and 43 along with the usual ancillary relief. Before us, the appellant abandoned any relief in all but the registrations in class 43. The registration of the 'Soul' mark in the various classes took place in 1994, 1996 and 2001, whereas the 'Soul Food' mark was registered in 2001. It should be mentioned that, before us, the appellant did not develop its argument concerning the 'Soul Food' mark. It contented itself with limiting its submissions to 'Soul'.

[5] The relief now sought is limited to that under s 34(1)(*a*) of the Act which reads:

'(1) The rights acquired by registration of a trade mark shall be infringed by-

(*a*) the unauthorised use in the course of trade in relation to goods or services in respect of which the trade mark is registered, of an identical mark or of a mark so nearly resembling it as to be likely to deceive or cause confusion.<sup>1</sup>

It has been held that in order to succeed in an infringement claim under s 34(1)(a), the appellant had to establish:

'(i) its trade mark registrations; (ii) unauthorised use in the course of trade by the respondent of an identical mark or a mark so nearly resembling its registered trade mark as to be likely to deceive or cause confusion; and (iii) in relation to the goods in respect of which the mark is registered.'<sup>2</sup>

The trade mark of the appellant is registered in relation to services which cover: 'Restaurants, snack bars, cafes, fast food outlets, canteens and roadhouses; services connected with the sale and distribution of foodstuffs and refreshments; catering.' The respondents' mark relates to two food outlets which fall within this class. Their use takes place in the course of trade and is not authorised by the appellant. It is therefore the balance of the second of the requirements set out above which had to be established by the appellant. That is, use of 'an identical mark or a mark so nearly resembling its registered trade mark as to be likely to deceive or cause confusion'. This appeal turns on whether the appellant established this.

This aspect of the matter was not pressed in the appeal.

<sup>&</sup>lt;sup>1</sup> An alternative claim was framed under s 34(1)(*c*) of the Act which reads:

<sup>&#</sup>x27;the unauthorised use in the course of trade in relation to any goods or services of a mark which is identical or similar to a trade mark registered, if such trade mark is well known in the Republic and the use of the said mark would be likely to take unfair advantage of, or be detrimental to, the distinctive character or the repute of the registered trade mark, notwithstanding the absence of confusion or deception: Provided that the provisions of this paragraph shall not apply to a trade mark referred to in section 70 (2).'

<sup>&</sup>lt;sup>2</sup> Lucky Star Ltd v Lucky Brands (Pty) Ltd [2016] ZASCA 77 para 4. This related to goods but the same principles apply to service marks. See also *Commercial Auto Glass (Pty) Ltd v BMW AG* [2007] SCA 96; 2007 (6) SA 637 (SCA) [2007] 4 All SA 1331 (SCA) para 3.

[6] A trade mark serves as a badge of origin of the services offered.<sup>3</sup> Persons seeing the mark can rest assured that the appellant is the source of the services offered under it. For that reason, a trademark constitutes a monopoly. Due, no doubt, to a trade mark functioning as a monopoly, it cannot 'be interpreted to give greater protection than that which is necessary for attaining the purpose of a trade mark registration, namely protecting the mark as a badge of origin'.<sup>4</sup> The proper approach to this assessment was set out by this Court:

'What is, accordingly, required is an interpretation of the mark through the eyes of the consumer as used by the alleged infringer. If the use creates the impression of a material link between the product and the owner of the mark there is infringement; otherwise there is not.'<sup>5</sup>

[7] If the marks were identical, the use of the impugned mark is taken to deceive and confuse.<sup>6</sup> The appellant submitted that this was the case, seeking support for that contention in *Commercial Auto Glass*.<sup>7</sup> In that matter the appellant had listed cars which its windscreens would fit. In doing so, it used the BMW mark without authorisation. The defence in that matter was not that the marks were not identical but that the appellant was simply informing customers that those particular windscreens could be used on those BMW cars. As a result, it said, it was not using the lettering on its windscreens as trade marks. This Court rejected that contention. To meet the submission that the marks in the present matter were identical, the respondents called in aid the matter of *Century City Apartments Property Services CC and Another v Century City Property Owners' Association (Century City*).<sup>8</sup> In that matter, this Court referred with approval to the European Court of Justice

<sup>&</sup>lt;sup>3</sup> *Verimark (Pty) Ltd v BMW AG; BMW AG v Verimark (Pty) Ltd* [2007] ZASCA 53; 2007 (6) SA 263 (SCA) para 5.

<sup>&</sup>lt;sup>5</sup> Ibid para 7.

<sup>&</sup>lt;sup>6</sup> Berman Brothers (Pty) Ltd v Sodastream Ltd 1986 (3) SA 209 (A) at 232H-233A.

<sup>&</sup>lt;sup>7</sup> *Commercial Auto Glass* fn 2.

<sup>&</sup>lt;sup>8</sup> Century City Apartments Property Services CC and Another v Century City Property Owners [2009] ZASCA 157; 2010 (3) SA 1 (SCA); [2010] 2 All SA 409 (SCA).

when it held that '(t)he criterion of the identity of the sign and the trademark must be interpreted strictly. The very definition of identity implies that the two elements compared should be the same in all respects'.<sup>9</sup>

[8] Only one aspect of the two marks is identical; the word 'Soul'. But even though this element forms part of the respondent's mark, the word 'Souvlaki' is not common to them. In *Century City*, this Court found that the marks 'Century City' and 'Century City Apartments' were not identical. This applies equally to the comparison between 'Soul' and 'Soul Souvlaki'. The marks are not identical.

[9] The question, then, is whether the appellant made out a case under the second aspect. Here the appellant bore the onus of proving the probability of deception or confusion. As was said by this Court:

'There can only be primary trade mark infringement if it is established that consumers are likely to interpret the mark, *as it is used by the third party*, as designating or tending to designate the undertaking from which the third party's goods originate.'<sup>10</sup>

This dictum applies equally to services. It is important to recognise what should be compared:

'[In] considering the question of infringement the Court should have regard not only to the plaintiff's actual use of his registered mark, but also to notional use, that is to all possible fair and normal applications of the mark within the ambit of the monopoly created by the terms of the registration'.<sup>11</sup>

<sup>&</sup>lt;sup>9</sup> Ibid para 12, citing *LTJ Diffusion SA v Sadas Vertbaudet SA* [2003] ETMR 83 (European Trade Mark Reports) para 50.

<sup>&</sup>lt;sup>10</sup> *Verimark* fn 3 para 5. Emphasis in the original.

<sup>&</sup>lt;sup>11</sup> Plascon-Evans Paints Ltd v Van Riebeeck Paints (Pty) Ltd 1984 (3) SA 623 (A) at 641G-H, confirming the acceptance of Botha J in Adidas Sportschuhfabriken Adi Dassler KG v Harry Walt & Co (Pty) Ltd 1976 (1) SA 530 (T) at 535A-D of the approach set out in the matter of Lever Brothers, Port Sunlight, Ltd v. Sunniwite Products Ltd (1949) 66 R.P.C. 84. See also Bata Ltd v Face Fashions CC and Another [2000] ZASCA 192; 2001 (1) SA 844 (SCA para 7; Puma AG Rudolf Dassler Sport v Global Warming (Pty) Ltd [2010] ZASCA 140; 2010 (2) SA 600 (SCA) para 10; Lucky Star Ltd v Lucky Brands (Pty) Ltd [2016] ZASCA 77 para 9.

The actual and notional use of the owner is then compared to the actual use by the alleged usurper to establish whether or not there has been infringement.

[10] As mentioned, the registration under class 43 relates to services including: 'Restaurants, snack bars, cafes, fast food outlets, canteens and roadhouses; services connected with the sale and distribution of foodstuffs and refreshments; catering.' The appellant is thus entitled to use the mark in any of these undertakings, irrespective of past and present uses. If it does so, its trade mark affords it protection against infringement. The only rider is 'that one has to assume reasonable notional use by a trademark owner'.<sup>12</sup> The appellant thus correctly submitted that in the comparative exercise between the registered and impugned marks, the services in respect of which the registered mark were actually used are 'completely irrelevant'.

[11] Our courts have consistently applied the test set out in *Plascon-Evans Paints Ltd* v *Van Riebeeck Paints (Pty) Ltd*<sup>13</sup> for the approach to s 34(1)(*a*). It is not necessary to repeat that entire passage since it was summed up in *Bata*:

'It suffices to say that not only should the marks be compared side by side but consideration must be given to whether the average customer in the marketplace would probably be deceived or confused by their similarity. Corbett JA made it clear that the main or dominant features of the marks in question as well as the general impression and any striking features were all factors to be considered in deciding whether there was a likelihood of confusion or deception.'<sup>14</sup>

When applying the similar test in *Adidas* to the present matter, the approach is:

'The *onus* can be discharged by showing that there is a likelihood that a substantial number of people who . . . are interested in [restaurants] will be confused as to whether the [respondents' restaurants] are the [restaurants] of the [appellant], or as to the existence or non-existence of a

<sup>&</sup>lt;sup>12</sup> Century City fn 8 para 14.

<sup>&</sup>lt;sup>13</sup> Plascon-Evans at 640G-641D.

<sup>&</sup>lt;sup>14</sup> *Bata* fn 11 para 9.

material connection between the [respondents' restaurants] and the [appellant as an operator of restaurants].<sup>15</sup>

[12] No disclaimer was required on registration of 'Soul'.<sup>16</sup> In trade mark law the effect is that, for purposes of matters such as this, unless or until that mark is expunged, it must be accepted that 'Soul' is inherently distinctive and, in the case of those registrations after 1994, capable of distinguishing by reason of the prior use thereof. This is despite the word 'soul' being in common, everyday use.

[13] In the present matter, there is no dispute that 'Soul Souvlaki' is a trade mark. Indeed, the respondents sought registration of that mark. In opposing the merits of the main application, the respondents relied on two bases. They first contended that the two marks were 'visually, conceptually and phonetically different'. As a consequence, they submitted, there was no likelihood of deception or confusion caused by the use of their mark. Secondly, they claimed that the businesses of the appellant and the second respondent differed substantially from each other. It is clear from what has been said above about notional use that the second of these is of no moment.

<sup>&</sup>lt;sup>15</sup> Adidas fn 11 at 533C-E.

<sup>&</sup>lt;sup>16</sup> Section 15 of the Act provides:

<sup>&#</sup>x27;If a trade mark contains matter which is not capable of distinguishing within the meaning of section 9, the registrar or the court, in deciding whether the trade mark shall be entered in or shall remain on the register, may require, as a condition of its being entered in or remaining on the register-

<sup>(</sup>*a*) that the proprietor shall disclaim any right to the exclusive use of all or any portion of any such matter to the exclusive use of which the registrar or the court holds him not to be entitled; or

<sup>(</sup>*b*) that the proprietor shall make such other disclaimer or memorandum as the registrar or the court may consider necessary for the purpose of defining his rights under the registration:

Provided that no disclaimer or memorandum on the register shall affect any rights of the proprietor of a trade mark except such as arise out of the registration of the trade mark in respect of which the disclaimer is made.'

For an illustration of a disclaimer see Cochrane Steel Products (Pty) Ltd v M-Systems Group [2017] ZASCA 189.

# [14] In *Century City*, this Court referred to *Compass Publishing BV v Compass Logistics Ltd*,<sup>17</sup> and explained:

'The registered mark was the word "Compass" in relation, in simplified terms, to computer and computer-related services. The defendant traded in the same fields under the name Compass Logistics. After pointing out that the two marks were not identical in the light of *LTJ Diffusion SA v Sadas Vertbaudet SA* the court proceeded to consider whether they were confusingly similar. Laddie J said this (paras 24 - 25):

"[24] . . . The likelihood of confusion must be appreciated globally, taking account of all relevant factors. It must be judged through the eyes of the average consumer of the goods or services in question. That customer is to be taken to be reasonably well informed and reasonably circumspect and observant, but he may have to rely upon an imperfect picture or recollection of the marks. The court should factor in the recognition that the average consumer normally perceives a mark as a whole and does not analyse its various details. The visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components. Furthermore, if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion.

[25] Applying those considerations to the facts of this case, there can be little doubt that a likelihood of confusion exists between the Defendant's use of the sign or mark COMPASS LOGISTICS in relation to its business consultancy services and the notional use of the mark COMPASS used in relation to business consultancy services, including those in relation to which the Defendant specialises. The dominant part of the Defendant's mark is the word compass. For many customers, the word logistics would add little of significance to it. It alludes to the type of area of consultancy in which the services are carried out."<sup>18</sup>

This Court then applied the notional use test in *Century City*:

'This means that one has to assume reasonable notional use by a trademark owner of the name Century City for purposes of providing services for reserving and maintaining accommodation at apartments. The appellant's use of Century City Apartments would to my mind have given rise to the likelihood of confusion.'<sup>19</sup>

<sup>&</sup>lt;sup>17</sup> Compass Publishing BV v Compass Logistics Ltd [2004] EWHC 520 (Ch) ([2004] RPC 41).

<sup>&</sup>lt;sup>18</sup> *Century City* fn 8 para 13.

<sup>&</sup>lt;sup>19</sup> Ibid para 14.

[15] The question before us is whether notional customers would associate restaurant services called 'Soul Souvlaki' with those of the appellant if the latter was trading in the same market and selling Greek cuisine under the name 'Soul'. Put differently, in that scenario, would the use of the mark 'Soul Souvlaki' be likely to lead to deception or confusion in the minds of a substantial number of customers? This is the crisp issue as I see it.

[16] The appellant set great store by *PepsiCo v Atlantic Industries*.<sup>20</sup> In that matter, Atlantic had registered the marks 'Twist', 'Lemon Twist' and 'Diet Twist'. Pepsico, which had registered the marks 'Pepsi' and 'Pepsi-Cola', applied to register the mark 'Pepsi Twist' as both a word and a device mark in the same class as those of Atlantic. Atlantic opposed the registration whereupon Pepsico applied for the expungement of the marks of Atlantic. The expungement application was refused but the court of first instance upheld Pepsico's application to register the mark 'Pepsi Twist'. The full court upheld the appeal of Atlantic and set aside the order allowing Pepsico to register the mark. This Court dismissed the appeal against the order of the full court on the basis that such registration would be likely to cause confusion among a substantial number of consumers. It held that this conclusion was strengthened by the fact that 'Twist' is non-descriptive and thus 'has the same ability as the made-up word 'Pepsi' to be memorable and distinguishing.'<sup>21</sup>

[17] The respondents urged us to take into account that there are a number of pending applications for registration of marks containing 'Soul' in combination with other words. They contended that this would serve to show that confusion is unlikely to arise with the appellant's mark. Reliance for this submission was placed

<sup>&</sup>lt;sup>20</sup> PepsiCo v Atlantic Industries [2017] ZASCA 109.

<sup>&</sup>lt;sup>21</sup> Ibid para 26.

on three matters: Distillers Corporation (SA) Ltd v SA Breweries Ltd and Another; Oude Meester Groep Bpk and Another v SA Breweries Ltd (Distillers);<sup>22</sup> Dinnermates (Tvl) CC v Piquante Brands International and Another (Dinnermates);<sup>23</sup> and Bata.<sup>24</sup>

[18] In *Distillers*, evidence that some 50 marks on the register contained the word 'Master' or 'Meester' as part of the mark was admissible as one of the factors to determine distinctiveness. And in *Dinnermates*, this Court held:

'[T]he respondents are not the only entity using the word PEPPA as its prominent element. There are other trade marks such as PICKAPEPPA and PEPPAMELT. These trade marks predate the respondents' marks. Proprietors or owners of these trade marks have rightly not claimed exclusive use of the word PEPPA. In my view the use of the word PEPPA by other entities dispels the notion that the respondents have the exclusivity or monopoly in the prefix PEPPA. I can see no reason why the respondents' trade mark cannot coexist with the appellant's trade mark.'<sup>25</sup>

Finally, in *Bata*, evidence was led that there were numerous trade mark registrations in South Africa in respect of clothing which included the word 'Power'. In all three matters, the complaint that the competing mark deceived and confused was rejected.

[19] The comparison drawn by the respondents with those matters does not hold water. Put simply, in the present matter, the applications for registration of the mark 'Soul' are still pending. Unlike in those three matters, there are not a number of competing marks using the word 'Soul'. The respondents pointed to the evidence that, in addition to the pending applications for registration, some 200

<sup>&</sup>lt;sup>22</sup> Distillers Corporation (SA) Ltd v SA Breweries Ltd and Another; Oude Meester Groep Bpk and Another v SA Breweries Ltd 1976 (3) SA 514 (A).

<sup>&</sup>lt;sup>23</sup> Dinnermates (Tvl) CC v Piquante Brands International and Another [2018] ZASCA 43.

<sup>&</sup>lt;sup>24</sup> Footnote 11.

<sup>&</sup>lt;sup>25</sup> Ibid para 21.

registered companies contain the word 'Soul' in their names. And 300 registered companies have names beginning with 'Soul'. The frequency of use in the marketplace might be relevant on some level. In the view I take of the matter, however, it is not necessary to decide this point.

[20] I see the present matter as distinguishable from that of *Century City*. As I have indicated, this Court there held that, if the respondent trade mark owner used the name 'Century City for purposes of providing services for reserving and maintaining accommodation of apartments . . . (the) appellant's use of Century City Apartments would to my mind have given rise to the likelihood of confusion.' If, in the present matter, the respondents used the mark 'Soul Restaurants' the same reasoning would undoubtedly apply. That, however, is not the case. The question remains whether it can be said that, if the appellant used the mark 'Soul' in restaurant services providing Greek cuisine, customers would view the appellant as the source of the services offered under the trade mark 'Soul Souvlaki'.

[21] This brings into focus the marks themselves. The appellant submitted that, since PepsiCo dealt with two non-descriptive marks, 'Pepsi' and 'Twist', the use of 'Soul Souvlaki' by the respondents was even more likely to cause deception or confusion. This was so, it said, because the word 'souvlaki' appears in South African dictionaries, has a meaning and is therefore descriptive. It is correct that 'souvlaki' is defined in the Concise Oxford Dictionary.<sup>26</sup> It is defined as 'a Greek dish of pieces of meat grilled on a skewer' and the word is said to originate from modern Greek. But this does not necessarily mean that it functions as descriptive without evidence of widespread knowledge of that word among South African restaurant customers. It is not used in the mark to describe the services of the

<sup>&</sup>lt;sup>26</sup> Stevenson and Waite (eds) *Concise Oxford English Dictionary* 12 ed (2011) at 1381.

respondents since a range of Greek dishes, and not only souvlaki, is on offer at their outlets. It certainly does not function as descriptive on the same level as do 'Lemon' or 'Diet'.

[22] A comparison of the marks must be undertaken. In *Bata*,<sup>27</sup> the appellant had registered a number of trade marks including the word mark 'Power' and the combination of 'Power' and a device mark in relation to footwear and articles of clothing. Those marks likewise are distinctive as having been registered. The first respondent used the marks 'Power House' or 'Powerhouse', mostly accompanied by a distinctive dog device. The appellant sought to restrain them on the basis that their use infringed three of the appellant's marks under s 34(1)(a) of the Act. Dealing first with the word 'Power', this Court said:

'It is an ordinary word in everyday use, as distinct from an invented or made-up word, and it cannot follow that confusion would probably arise if it is used in combination with another word.'<sup>28</sup>

#### And:

'What has to be considered, therefore, is whether the notional customer of average intelligence, viewing the marks as a whole or looking at the dominant features of each mark, is likely to be confused or deceived into believing that clothing bearing the words "Power House" have a connection in the course of trade with the "Power" trade mark.'<sup>29</sup>

#### The conclusion was:

'It is not possible to ignore the word "House" in the first respondent's mark. I have considerable difficulty in imagining that the notional purchaser of the first respondent's clothing would focus attention only on the word "Power". The word "House" is as significant as the word "Power" and the two words used together sufficiently distinguish the first respondent's clothing from that of the appellant.'<sup>30</sup>

<sup>&</sup>lt;sup>27</sup> *Bata* fn 11.

<sup>&</sup>lt;sup>28</sup> Ibid para 10.

<sup>&</sup>lt;sup>29</sup> Ibid para 11.

<sup>&</sup>lt;sup>30</sup> Ibid para 11.

[23] Similar reasoning applied in *Lucky Star*<sup>31</sup> where, having referred to *Bata*, this Court said:

'In my view, the common elements of the appellant's and the respondents' marks being the word "Lucky" is of minor significance when the marks are looked at as a whole. The word "Fish" as opposed to the word "Star" is distinctive and cannot be ignored. When the marks are compared side by side, and the main or dominant features of the marks are considered, namely the words "Star" and "Fish", there is no likelihood of deception or confusion.'<sup>32</sup>

[24] As in *Bata*, the word 'Soul' is a common word in everyday use. The appellant based its choice on specific uses in the wider context, saying:

'The meaning the SOUL brand communicates to Applicant's consumers is of African cool, a pride in an Afrocentric heritage typified by success against adversity, a rising above racial prejudice and stereotypes where "blackness" is not a shortcoming but a positive advantage.

The sense of self validity was typified in the 1960s in the United States by the civil rights movement, Martin Luther King, Malcolm X and the great "soul" singing artists such as Percy Sledge, Isaac Hayes, Barry White, Otis Redding, Whitney Houston, Dusty Springfield and Ertha Kitt....'

From this it is clear that the appellant chose its mark in a specific social context in which the word had meaning.

[25] In this matter, the word 'Souvlaki' is at least as significant as the word 'Soul'. It strikes me, if anything, as the more dominant of the two. It certainly cannot be ignored. When the marks are compared side by side, the word 'Souvlaki' clearly distinguishes the respondents' mark from 'Soul'. In my estimation, the likelihood of deception or confusion is far more remote than in the case of 'Pepsi Twist' as compared to 'Lemon Twist' or 'Diet Twist'. There, all the marks

<sup>&</sup>lt;sup>31</sup> Lucky Star fn 2.

<sup>&</sup>lt;sup>32</sup> Ibid para 10.

comprised two words. All were prefixes. All contained the same number of syllables. Here we have the single word 'Soul'. 'Soul Souvlaki' is far more likely to operate as did 'Power House' in relation to 'Power' and 'Lucky Fish' in relation to 'Lucky Star'. It is unlikely that the notional restaurant customer would confuse it with a restaurant called 'Soul'.

[26] In summary, therefore, the direct comparison between the marks shows no likelihood of deception or confusion. The fact that 'Soul' has social meaning beyond the distinctive meaning of the appellant's mark also serves to dilute any likelihood of confusion between the marks. In the light of all of these considerations, I do not view the respondents' mark as so nearly resembling that of the appellant as to be likely to deceive or confuse. In my view, accordingly, the mark 'Soul Souvlaki' sufficiently distinguishes the respondents' services from those of the appellant in the context of the restaurant and food sector. That being the case, the appellant failed to establish infringement under the provisions of s 34(1)(a) of the Act.

[27] It is trite that an appeal lies against the order of a court and not its reasoning. In the high court, the learned judge unfortunately erred in several respects. She conflated trade mark and passing off principles. In doing so, she misdirected herself on the law. In addition, she considered irrelevant issues. Despite this erroneous approach and reasoning, however, the application was rightly dismissed. As a result, the appeal must likewise fail. There is no reason why the costs should not follow the result.

[28] In the result, the appeal is dismissed with costs.

T R GORVEN JUDGE OF APPEAL

# Appearances

For appellant:	R Michau SC
Instructed by:	Ron Wheeldon Attorneys, Johannesburg
	Webbers Attorneys, Bloemfontein
For respondents:	P Cirone
Instructed by:	Christodoulou & Mavrikis Incorporated, Johannesburg
	Symington & De Kok, Bloemfontein