



IN THE COMPANIES TRIBUNAL OF THE REPUBLIC OF SOUTH AFRICA

CASE NO: CT001APR2017

In the matter between:

PWC Business Trust

APPLICANT

AND

PWC Group (Pty) Ltd

RESPONDENT

Issue for determination: Objection to the registration of the company name PWC Group (Pty) Ltd in terms of sections 11 and 160 of the Companies Act, 2008 (Act No. 71 of 2008) read with regulation 13 of the Companies Regulations, 2011.

Coram: Lindelani Daniel Sikhitha

Decision handed down on 03 July 2017

DECISION (Reasons and Order)

INTRODUCTION

[1] The Applicant, is PWC Business Trust, with its registered business address situated at 300 Madison Avenue, New York, 10017, United States of America.

The Applicant was registered to act as the legal owner of the PWC and PricewaterhouseCoopers names globally, including the trademarks or domain names in relation thereto.

- [2] The Applicant is the registered proprietor of the PWC trade marks in South Africa same having been registered for Classes 35, 36, 41 and 42 in terms of the of the Trade Marks Act, 1993 (Act No. 194 of 1993) (“the Trade Marks Act”).¹
- [3] The Respondent is PWC Group (Pty) Ltd with Registration Number: 2011/129199/07, and with its registered business address situated at 209 Van der Hoff Road, Hercules, Gauteng, 0030 as fully set out in the disclosure certificates.²
- [4] This is an Application in terms of which the Applicant objects to the registration of the company name PWC Group (Pty) Limited in terms of sections 11 and 160 of the Companies Act, 2008 (Act No. 71 of 2008) (“the Act”) read together with Regulation 13 of the Companies Regulations, 2011 (“the Regulations”).
- [5] In essence, the Applicant is seeking a determination by the Companies Tribunal (“the Tribunal”) in respect of the registration of the name PWC Group (Pty) Ltd, and that an order in terms of section 160(3)(b)(ii) of the Act be made directing that the Respondent chooses a new name, failing which, that the Commissioner of the Companies and Intellectual Property Commission (“CIPC”) changes the

¹ Refer to copies of Trade Marks Certificates which appear at pages 19 to 22 of the Indexed and Paginated Bundle of Documents.

² Refer to a copy of Disclosure Certificate for the Respondent which appears at pages 17 to 18 of the Indexed and Paginated Bundle of Documents.

name of the Respondent and replaces it with the Respondent's registration number.

BACKGROUND AND COMPLIANCE WITH PROCEDURAL MATTERS

- [6] The Application together with supporting affidavit deposed to by Fulvio Tonelli in terms of sections 11 and 160 of the Act read together with Regulation 13 of the Regulations was filed with the Companies Tribunal ("the Tribunal") on the 4th day of April 2017.³
- [7] I did peruse through the Application and supporting documents attached thereto and I am satisfied that the Application is in substantial compliance with Regulation 142 of the Regulations.
- [8] Service of a copy of the Application was apparently effected and copy thereof received on behalf of the Respondent by a certain Mr. Senekal at the Respondent's registered address at 209 Van der Hoff Road, Hercules, Pretoria on 10 April 2017 at 08h24.⁴ I am therefore satisfied that the Application in this matter was properly served upon the Respondent in the manner that had been fully outlined in the Sheriff's Return of Service.
- [9] In terms of Regulation 143(1) of the Regulations, a respondent who wishes to oppose the complaint or application must serve a copy of answer on the initiating party and file the Answer with proof of service thereof with the Companies

³ Refer to pages 6 to 14 of the Indexed and Paginated Bundle of Documents.

⁴ Refer to Sheriff's Return of Service which appears at page 26 of the Indexed and Paginated Bundle of Documents.

Tribunal within twenty business days after being served with a complaint referral, or an application, that has been filed with the Tribunal.⁵

[10] It follows therefore that the Respondent was required to serve a copy of its Answer on the Applicant and file its Answer with proof of service thereof with the Companies Tribunal within twenty business days in terms of Regulation 143(1) of the Regulations.

[11] Upon proper calculation of the time frames in terms of the Regulations, the Respondent was required and had failed to serve on the Applicant and to file with the Companies Tribunal a copy of its Answer to the Application on or before 12 May 2017. As at the date of this Order, the Respondent has still not served on the Applicant and filed with the Companies Tribunal a copy of its Answer together with proof of service thereof as prescribed by Regulation 143(1) of the Regulations.

[12] As a result of the Respondent's failure to serve on the Applicant and file with the Companies Tribunal a copy of its Answer together with proof of service, the Applicant proceeded to file an Application for Default Judgment with the Companies Tribunal on 02 June 2017. The Applicant is therefore applying for a default order or judgment to the Companies Tribunal in terms of Regulation 153(1) of the Regulations.

⁵ Regulation 143(1) of the Regulations reads as follows:

"Within 20 business days after being served with a Complaint Referral, or an application, that has been filed with the Tribunal, a respondent who wishes to oppose the complaint or application must—

—
(a) serve a copy of an Answer on the initiating party; and
(b) file the Answer with proof of service."

[13] It is important that I should make reference to the provisions of Regulation 153(1) and (2) of the Regulations which read as follows:

- “(1) If a person served with an initiating document has not filed a response within the prescribed period, the initiating party may apply to have the order, as applied for, issued against that person by the Tribunal.*
- (2) On an application in terms of sub-regulation (1), the Tribunal may make an appropriate order—*
- (a) after it has heard any required evidence concerning the motion;*
 - and*
 - (b) if it is satisfied that the notice or application was adequately served.”*

[14] Upon careful consideration of the current Application for Default Judgment I am satisfied that it had been filed with the Companies Tribunal in compliance with the provisions of Regulation 153(1) and (2) of the Regulations as outlined above.

APPLICABLE LAW

[15] The jurisdiction of the Tribunal to deal with the current Application is to be found through conducting a thorough examination of the papers placed before the Tribunal in this matter. Such a process also requires me to examine the applicable provision of the Act.

[16] In terms of paragraphs 11 and 12 of the supporting affidavit, the Applicant objects to the registration of the company name PWC Group (Pty) Ltd in terms of sections 11 and 160 of the Act read with Regulation 13 of the Regulations. Section 11(2)(a), (b) and (c) of the Act reads as follows:

- “(2)(a) The name of a company must not be the same as-*

- (i) *the name of another company, domesticated company, registered external company, close corporation 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 (Act No. 27 of 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 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 trademark 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; or*
 - (iv) *a mark, word or expression the use of which is restricted or protected in terms of the Merchandise Marks Act, 1941 (Act No. 17 of 1941), except to the extent permitted by or in terms of that Act;*
- (b) *not be confusingly similar to a name, trade mark, mark, word or expression contemplated in paragraph (a) unless -*
- (i) *in the case of names referred to in paragraph (a)(i), each company bearing any such similar name is a member of the same group of companies;*
 - (ii) *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 trade mark or mark referred to in paragraph (a)(iii), the company is the registered owner of the business*

name, trade mark or mark, or is authorised by the registered owner to use it; or

(iv) 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, 1941;

(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....”

[17] Section 160(1) of the Act reads as follows:

“(1) A person to whom a notice is delivered in terms of this Act with respect to an application for reservation of a name, registration of a defensive name, application to transfer the reservation of a name or the registration of a defensive name, or the registration of a company’s name, 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, or the reservation, registration or use of the name, or the transfer of any such reservation or registration of a name, satisfies the requirements of this Act.”

[18] Before dealing with the merits and/or demerits of the current Application, it is important that I should quickly deal with some preliminary issues. I should first look at the provisions of Regulation 13(a) which deals with the form of the applications of this nature to see if the current Application is in compliance thereof. The relevant parts of Regulation 13(a) read as follows:

“(a) A person may apply in Form CTR 142 to the Tribunal in terms of section 160 if the person has received... a Notice of a Potentially Contested Name,

in Form CoR 9.6 or a Notice of a Potentially Offensive Name, in Form CoR 9.7, or has an interest in the name of a company as contemplated in section 160(1)....”

[19] The Application for Relief in this matter is contained in Form CTR 142 and it is supported by an affidavit. I am therefore satisfied that the current Application complies with Regulation 13(a) of the Regulations as outlined above.

[20] It is also important that I should make reference to section 160(2) of the Act which reads as follows:

“(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.”

[21] In terms of paragraph 31⁶ of the Supporting Affidavit filed in support of the current Application, the Applicant alleges that it became aware of the Respondent’s name on 17 January 2017 after the Applicant’s attorneys encountered the Respondent’s name whilst conducting a cursory search of the companies register.

[22] It is apparent from the Disclosure Certificate for the Respondent that the Respondent had changed its name from K2011129199 to PWC Group (Pty) Limited on 16 August 2016.

⁶ Paragraph 31 appears at page 13 of the Indexed and Paginated Bundle of Documents.

[23] I am therefore satisfied that the Applicant had shown good cause in terms of section 160(2)(b) as to why the current Application was only filed with the Tribunal on 04 April 2017.

[24] It is important that reference should be made to the provisions of section 160(3) of the Act which read as follows:

“(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, or the reservation, registration or use of the name, or the transfer of the reservation or registration of the name, satisfies the requirements of this Act; and

(b) may make an administrative order directing-

(i) the Commission to –

(aa) reserve a contested name, or register a particular defensive name that had been contested, for the applicant;

(bb) register a name or amended name that had been contested as the name of a company;

(cc) cancel the reservation of a name, or the registration of a defensive name; or

(dd) transfer, or cancel the transfer of, the reservation of a name, or the registration of a defensive name; 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.”

- [25] Now that I have highlighted the relevant provisions of the Act that are applicable in this matter, I will proceed herein below to evaluate the documents placed before me in the current Application in my determination of the merits and/or demerits of the current Application.

EVALUATION AND FINDINGS

- [26] This is an Application in terms of which the Applicant objects to the registration of the company name PWC Group (Pty) Ltd in terms of sections 11 and 160 of the Act read together with Regulation 13 of the Regulations.
- [27] In this Application the Applicant seeks a determination by the Companies Tribunal in respect of the registration of the name PWC Group (Pty) Ltd, and that an order in terms of section 160(3)(b)(ii) of the Act be made directing that the Respondent chooses a new name, failing which, that the Commissioner of the CIPC changes the name of the Respondent and replaces it with the Respondent's registration number.
- [28] The Applicant is also seeking for an order directing the Respondent to pay the costs occasioned by the launching of the current Application.
- [29] The question that I am called upon to answer in the current Application is whether “PWC” as in the name of the Respondent is in contravention of sections 11(2)(b)(iii) and (c)(i) of the Act.

[30] It is contended on behalf of the Applicant that the Respondent offends against section 11(2)(b)(iii) and (c)(i) of the Act in that PWC Group (Pty) Ltd as a name of the Respondent:

30.1 is 'confusingly similar to' the registered trademarks PWC where the registered owner of the trademarks has not consented to the use thereto; and

30.2 is such that it would reasonably mislead a person to believe incorrectly, that the Respondent is part of, or associated with, the Applicant.⁷

[31] It is further contended on behalf of the Applicant that the Applicant is the registered owner of the following trademarks which are currently valid and in force in the Republic of South Africa:

31.1 Trademark registration number 1998/11544 PWC in class 35 for accounting service; auditing services; tax consulting and advisory services; merger, acquisition and divestiture consulting and advisory services; management and business consulting and advisory services; and market research services;⁸

31.2 Trademark registration number 1998/11545 PWC in class 36 for investment banking consulting and advisory services; financial consulting and advisory services; actuarial consulting services; employee benefit consulting services; financial valuation services in the areas of business enterprises,

⁷ Refer to paragraph 35 of the Supporting Affidavit deposed to by a Fulvio Tonelli who is duly authorized (in terms of the Power of Attorney, marked Annexure FT1) to represent the Applicant for purposes of this Application. Paragraph 35 of the Supporting Affidavit appears at page 13 of the Indexed and Paginated Bundle of Documents.

⁸ A copy of the aforementioned certificate appears at page 19 of the Indexed and Paginated Bundle of Documents.

inventories, assets, equipment, licensing, real estate and intellectual property; real estate appraisal services; and risk management services;⁹

31.3 Trademark registration number 1998/11546 PWC in class 41 for education services, namely, conducting classes, seminars, conferences, and workshops in the fields of business; information technology, computers, management, training, financial planning and investment strategies;¹⁰ and

31.4 Trademark registration 1998/11547 PWC in class 42 for arbitration services; litigation and dispute support services; information technology consulting and advisory services; environmental consulting services; namely, developing and implementing practices, and reviewing standards for the purpose of compliance with environmental services relating to equal employment practices, the labour market and international assignment of personnel; and advisory, consulting and information services offered via a global computer network.¹¹

[32] The Applicant contends that the Respondent's name is offending the provisions of section 11(2)(b)(iii) and (c)(i) in that the Respondent's name infringes the trademarks of the Applicant as outlined above.¹² I now proceed to determine the questions as to whether of the Respondent's name is:

⁹ A copy of the aforementioned certificate appears at page 20 of the Indexed and Paginated Bundle of Documents.

¹⁰ A copy of the aforementioned certificate appears at page 21 of the Indexed and Paginated Bundle of Documents.

¹¹ A copy of the aforementioned certificate appears at page 22 of the Indexed and Paginated Bundle of Documents.

¹² Refer to Paragraph 16 of the Supporting Affidavit which appears at Page 10 of the Indexed and Bundle of Documents.

- 32.1 confusingly similar to a name, trade mark, mark, word or expression of the Applicant; and
- 32.2 falsely implying or suggesting or such as would reasonably mislead a person to believe incorrectly, that the Respondent is part of, or associated with the Applicant.

Is the Name of the Respondent confusingly similar to the name or trademark of the Applicant?

- [33] A glance at the documents placed before me points to the fact that “PWC” as used by the Applicant is part of a trading name and is also part of the name of the Applicant and its associated companies around the globe. It is therefore clear that the name of the Respondent, “PWC GROUP (PTY) LTD” is not the same as the name of the Applicant, and correctly the Applicant did not seek to rely on the contravention of section 11(2)(a)(i) of the Act in the current Application.
- [34] I now proceed to consider whether the Respondent’s name is in contravention of section 11(2)(b)(iii) and (c)(i) of the Act.
- [35] In terms of section 11(2)(b)(iii) of the Act, the name of a company must not be confusingly similar to a name, trade mark, mark, word or expression contemplated in paragraph (a) unless in the case of a name similar to a trade mark or mark referred to in paragraph (a)(iii), the company is the registered owner of the business name, trade mark or mark, or is authorised by the registered owner to use it. The papers placed before me clearly indicate that the Applicant is the owner

of the “PWC” trademarks and it had not authorized the Respondent to use its “PWC” trademarks.

[36] In the matter of *PWC Business Trust v Pelagic PWC (Pty) Ltd* (Case No: CT005Sept2016) the Tribunal, per S. Gounden, had the following to say at paragraph regarding the interpretation of section 11(2)(b) of the Act:

“Similar” as in section 11 (2) (b) 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): Bata Ltd v Face Fashions CC 2001 (1) SA 844 (SCA). 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.”: 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.

The name of the Respondent therefore can clearly be confusingly similar to the trademark of the Applicant, which is “PWC”. In fact it is clearly similar, and therefore there is contravention of section 11(2)(b)(i).”

- [37] The Applicant has clearly demonstrated in its papers that it had substantively and significantly used the “PWC” trademark across the world and more particularly in the Republic of South Africa. As a result of the aforementioned use, the particular combination of the “PWC” letters has become a household brand in the financial, auditing, forensic, accounting, consulting and advisory industries and therefore qualifies as a well-known trade mark as set out in the Trade Marks Act.¹³
- [38] I am satisfied therefore that the Applicant has established the ownership rights in the “PWC” trademarks and further that it is registered to act as the legal owner of the “PwC” and Pricewaterhousecoopers names including any trademarks and domain names in relation thereto globally.
- [39] The name of the Respondent is therefore confusingly similar to the name or trademark of the Applicant, which is “PWC”. As a matter of fact the name of the Respondent is clearly similar to the trademark of the Applicant, and the Respondent is therefore in contravention of section 11(2)(b)(iii) of the Act.

Does the name of the Respondent falsely imply or suggest that the Respondent is part of or associated with any other person or entity?

- [40] An enquiry in terms of section 11(2)(c)(i) therefore requires me to determine as to whether the name of the Respondent:

40.1 falsely imply or suggest that the company is part of or associated with any other person or entity; or

¹³ Refer to Paragraph 15 of the Supporting Affidavit which appears at Page 9 of the Indexed and Paginated Bundle of Documents.

40.2 is such that the name would reasonably mislead a person to believe that the company is part of or associated with any other person or entity.

[41] The determination of the questions highlighted above involves essentially a comparison between the mark used by the Respondent and the registered trademark of the Applicant and, in doing so one is enjoined to have regard to the following important factors:

41.1 The similarities and differences in the two marks being compared;

41.2 An assessment of the impact which the Respondent's mark would make upon the average type of customer who would be likely to purchase the kind of goods to which the marks are applied;

41.3 This notional customer must be conceived of as a person of average intelligence having proper eyesight and buying with ordinary caution;

41.4 The comparison of the two marks must be made with reference to the sense, sound and appearance of the marks;

41.5 The two marks must be viewed as they would be encountered in the market place and against the background of relevant surrounding circumstances;

41.6 The two marks must not only be considered side by side, but also separately;

41.7 It must be borne in mind that the ordinary purchaser may encounter goods, bearing the Respondent's mark, with an imperfect recollection of the registered mark and due allowance must be made for this;

41.8 If each of the two 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.

41.9 Lastly consideration must be given to the manner in which the two marks are likely to be employed as for example, the use of name marks in conjunction with a generic description of the goods.¹⁴

[42] In this case, the usage of the name “PWC GROUP” by the Respondent would undoubtedly falsely imply or suggest that the Respondent is part of or associated with the Applicant. This will unquestionably reasonably mislead a person to believe that the Respondent is associated with “PWC” as “PWC” is a well-known trademark of the Applicant.

[43] The name of the Respondent, which is “PWC GROUP” therefore falsely imply or suggest that the Respondent is part of or associated with the Applicant and further such would reasonably mislead a person to believe that the Respondent is part of or associated with the Applicant. As a matter of fact the name of the Respondent is clearly similar to the trademark of the Applicant, and the Respondent is therefore in contravention of section 11(2)(c)(i) of the Act.

[44] I am therefore satisfied that the Applicant had succeeded in proving its case in this matter. I am also satisfied that the Applicant is entitled to the relief that it is currently seeking in this Application.

¹⁴ These factors are fully outlined in *Plascon-Evans Paints (TVL) Ltd. v Van Riebeck Paints (Pty) Ltd* (53/84) [1984] ZASCA 51; [1984] 2 All SA 366 (A); 1984 (3) SA 623; 1984 (3) SA 620.

[45] The Applicant is also seeking an order for costs against the Respondent. I am however not convinced that the Applicant is entitled to any cost order against the Respondent more so if the Respondent is not opposing the current Application.

ORDER:

[46] After considering the current Application which is made in terms of section 160(1) of the Act, I make the determination that name of the Respondent contravenes section 11(2)(b)(iii) and (c)(i) of the Act.

[47] In terms of section 160(3)(b) of the Act, I do hereby make the following order:

47.1 Directing that the Respondent choose a new name which does not incorporate any of the Applicant's registered trademarks, or anything that can be considered to be confusingly thereto, within a period of 90 (Ninety) days from date of this order;

47.2 Directing that the Respondent amends its Memorandum of Incorporation accordingly, within a period of 90 (Ninety) days from date of this order; and

47.3 Directing that, if the Respondent fails to comply with the Tribunal's order as outlined above, the Commissioner of the CIPC should substitutes the Respondent's registration number in place of 'PWC Group' including in the Memorandum of Incorporation and must do so within a period of 90 (Ninety) days from the date of expiry of the period of 90 days given to the Respondent in terms of orders 47.1 and 47.2 above.

47.4 There is no order with regard to costs.

LINDELANI DANIEL SIKHITHA

Member of the Companies Tribunal

03 July 2017