

HIGH COURT Harare

98-HH-025

F W Woolworth & Co (Zimbabwe) (Pvt) Ltd v The W Store & Anor

12 & 13 May 1997 and 28 January 1998

GILLESPIE J

**F W WOOLWORTH & CO (ZIMBABWE) (PVT) LTD Applicant
versus**

THE W STORE & ANOR Respondents

Delict — passing off — requirements — likelihood of deception — businesses with similar names but very different premises, clientele, quality of goods, etc — likelihood of confusion — plaintiff's reputation — goodwill — meaning — need to establish reputation and goodwill — name — use by defendant of own name — defendant's right use own name

Intellectual property — trade names — businesses with closely similar names but very different premises, goods, clientele, etc — no likelihood of confusion

Words and Phrases — “Goodwill”

The original Woolworths stores were started in the United States by the late F W Woolworth. The success of his stores led to the incorporation of F W Woolworth and Co Ltd in the United Kingdom but it also led to other persons incorporating trading companies in other parts of the world. These companies used the name Woolworth in their names, even though no-one of that name was actually involved.

The applicant company was originally incorporated in this country in 1956. It was owned by Woolworth International Ltd, a British company, and associated with the similarly named British company. It thus had the right to use the name of F W Woolworth. It was bought from its previous owners in 1987 by a coalition of three companies. One of the conditions of sale was that the new owners acquired not only the right to the exclusive use of the name of F W Woolworth, but also an obligation to ensure that the name was not used wrongfully by others. In 1991 the holding of the entire coalition was acquired by one family. The company has 4 branches, three in Harare and one in Bulawayo.

In South Africa there is a chain of stores known as Woolworths, operated by Woolworths (Pty) Ltd, a company incorporated in 1931. It is associated with the British retailer Marks and Spencer and is a member of the Wooltru group of companies. It has shops in several other African countries and in the Gulf. It wished to open a store in Zimbabwe and sought an agreement with the applicant regarding the use of the company name. No agreement could be reached. The decision was made to trade under the title of *"The W Store"*, the name used in Mauritius and Bahrain. A new store was opened in a prestigious shopping complex on the outskirts of Harare. Advertising material was distributed which brought about an association between the name and brand *"Woolworths"* and the W Store.

The W Store is a spacious and well-appointed shop, which sells expensive and good quality merchandise. Every item sold is exclusive to the Wooltru group. All the goods carry a label with a trade mark *"The W Store"*. Every garment bears a label with the name *"Woolworths"* and a logo gram on it. The price tags and till slips are printed with the name *"The W Store"*. Every article carries a disclaimer, stating that there is no connection with the Woolworths companies of Zimbabwe. Similar disclaimers are displayed prominently at the entrances.

The applicant's shops, on the other hand, are shabby and down-at-heel in appearance and give a general impression of neglect. There is no single house brand of clothing; and only a small proportion of the goods for sale have a "Woolworths" label.

Both parties had a logogram. That of the applicant was a stylised curve reminiscent of a W, while the respondent's was a capital W, formed of two interlinked Vs.

The applicant sought an interdict, on the grounds of passing off, restraining the respondent from opening and using the applicant's name, trade-mark, logogram or get-up; from using the name Woolworths; and from selling goods with the trade mark Woolworths.

Held: (1) In determining whether there has been a passing-off, one enquires whether there is a reasonable likelihood that members of the public may be confused into believing that the business of one is, or is concerned with, that of another. This may be done by using a trade mark or get-up so closely resembling that of another as is calculated to cause confusion. The right to protect a trade name or get-up arises only where the name or get-up has acquired a repute and where, as a result of the acquired repute, use by others might result in a deception which will cause injury to the goodwill enjoyed by the plaintiff. It is thus necessary for the plaintiff to establish a goodwill or reputation enjoyed by him in connection with the mark or get-up copied by the defendant.

(2) The applicant had done nothing to establish a goodwill attached to any name, mark or get-up which it claimed was being infringed by the respondent. Although there had been an attempt by the applicant to create an exclusive mark, there was no proof whether any reputation had been successfully generated.

(3) Even assuming that the name "Woolworths" has considerable recognition value attached to it, there was no evidence that in Zimbabwe today the name had any power to attract customers to the applicant's stores, nor that the applicant had any established clientele.

(4) The use by the first respondent of the name "The W Store" could not be regarded as imitative of the applicant's name nor as representing that the respondent's business was connected with the applicant's. Indeed, the name had been adopted to avoid making such a representation. Undoubtedly the first respondent had used the name "Woolworths" to some extent, but it is the first respondent's own name.

(5) Even if on the face of it the first respondent's conduct could be construed as a representation, there was no reasonable likelihood of confusion between the two businesses. The parties moved in very different spheres or classes of business. The quality, class and price of merchandise sold by the applicant differed beyond recognition from the same attributes of the goods sold by the first respondent.

(6) A party, including a company, is entitled to use its own name, subject to the usual principles of passing off, and provided that it does not give rise to a reasonable likelihood of confusion with the business of an established competitor with the same or similar name, in which case steps must be taken to remove the likelihood of confusion.

Cases considered

Atlas Organic Fertilisers (Pty) Ltd v Pikkewyn Ghwano (Pty) Ltd & Ors 1981 (2) SA 173 (T)
Bon Marche (Pvt) Ltd v Brazier & Anor 1984 (2) ZLR 50 (S)
Brian Boswell Circus (Pty) Ltd & Anor v Boswell-Wilkie Circus (Pty) Ltd 1985 (4) SA 466 (A)
Burnkloof Caterers (Pty) Ltd v Horseshoe Caterers (Pty) Ltd 1974 (2) SA 125 (C)
Capital Est & General Agencies (Pty) Ltd & Ors v Holiday Inns Inc & Anor 1977 (2) SA 916 (A)
Car Guard (Pvt) Ltd v Mallard Auto (Pvt) Ltd t/a Autogard HH-123-97
CIR v Muller & Co's Margarine Ltd [1901] AC 217 (HL)

Dun & Bradstreet (Pty) Ltd v SA Merchants Combined Credit Bureau (Cape) (Pty) Ltd 1968 (1) SA 209 (C)
Erven Warnink BV v J Townsend & Sons (Hull) Ltd & Ors [1979] AC 731 (HL)
F W Woolworth & Co Ltd v Woolworths (Australasia) Ltd (1930) 47 RPC 337
Horseshoe Caterers Ltd v Burnkloof Caterers Ltd 1975 (2) SA 189 (C)
Kellogg Co v Cairns Foods Ltd 1997 (2) ZLR 230 (S)
Lorimar Productions Inc & Ors v Sterling Clothing Mfrs (Pty) Ltd 1981 (3) SA 1129 (T)
Polakov Bros (Pty) Ltd v Gershlowitz 1976 (1) SA 863 (E)
Policansky Bros Ltd v L & H Policansky 1935 AD 89
Reckitt & Colman SA (Pty) Ltd v SC Johnson SA (Pty) Ltd 1993 (2) SA 307 (A)
Royal Beech-Nut (Pty) Ltd v United Tobacco Co Ltd 1992 (4) SA 118 (A)
Saybrook (1978) (Pvt) Ltd & Anor v Girdlestone 1986 (2) ZLR 185 (S)
Stellenbosch Wine Trust Ltd & Anor v Oude Meester Group Ltd 1972 (3) SA 152 (C)
Truck & Car Co Ltd v Kar-N-Truck Auctions 1954 (4) SA 552 (A)
Woolworths (Pty) Ltd v Coetzer 1934 CPD 198
Adv. A P de Bourbon SC, for the applicant

Adv. J C Andersen SC, for the first respondent

Application for declaratory order

1. **GILLESPIE J:** *"What's in a name?" wondered the virgin Capulet: "that which we call a rose. By any other name would smell as sweet."*
2. Or in the case of a retail outlet, by any other name should be as profitable. Not, so it would seem, if that name happens to be *"Woolworths"*. This is a name over which have been fought litigious battles as intractable as those feuds attending the names of Montague and Capulet. The present case is just such a battle.
3. The late Mr Frank Winfield Woolworth, who has given his name to the applicant, is, I think, known to the reasonably well-informed person as the originator of the very successful and profitable *"five and dime stores"* in the United States of America and which made him into a millionaire. The concept of a store where each article of merchandise could be acquired at a fixed price (the five or ten cents alluded to in the name *"five and dime"*) was adopted in Great Britain by F W Woolworth & Co Ltd, a company incorporated in that country in 1909.
4. The success of those companies has inspired other persons to make use of the name *"Woolworth"* in incorporating trading companies in other parts of the world, even where no-one of that name is in fact involved in these other companies.
5. The applicant was incorporated in this country in 1956 as F W Woolworth & Co (Southern Rhodesia) (Pvt) Ltd. It was owned by Woolworth International Ltd, a company registered in London. It was associated with the British company which I have mentioned in the previous paragraph and had the derivative right to use the name of that giant of commerce who founded the American company.
6. In 1980 the company name was changed to its present form. The applicant was in 1987 purchased from its previous owners by the A Adam Syndicate, a coalition of three companies which allied themselves for the purpose of effecting that purchase. It was a term of the agreement of sale that:

"The purchaser hereby covenants, subject to completion for itself, its successors in title, and its assignees that it will procure that the name F W Woolworth & Co (Zimbabwe) (Private) Limited or any name or names identical or similar thereto or capable of confusion therewith or any colourable imitation thereof is used only by the Company and only in Zimbabwe and that it shall procure that as a condition precedent to any dealing in the shares or the business, assets or undertaking of the Company that an identical covenant is obtained from any purchaser, successor in title or assignee."
7. The new owners thereby acquired not only the exclusive right to the use of the name of F W Woolworth in this country but also an obligation to ensure that it was not wrongfully used by others. Thereafter, in 1991, the holding of the entire syndicate was acquired by the Adam

family. The applicant has since its inception operated a chain of retail department stores in Zimbabwe. At present it has four branches, three in Harare and one in Bulawayo. I shall describe in greater detail two of these branches in due course. The stores are generally known by the name "*Woolworth*".

8. As all Zimbabweans who travel to South Africa know, there is in that nation a chain of retail stores known as "*Woolworths*". These stores are operated by Woolworths (Pty) Ltd, a company incorporated in South Africa in 1931. It is associated with the British retailer, Marks and Spencer. It is a member of the Wooltru group of companies in South Africa. Its business includes the sale of merchandise under the trade mark "*Woolworths*". In addition to the outlets in South Africa it has shops in Namibia, Botswana, Swaziland, Lesotho, Bahrain, Mauritius, Kenya and Dubai. As I shall describe in due course, it now has a store in Zimbabwe as well.
9. Before commencing business in Zimbabwe, Woolworths South Africa sought to clear the way for itself by reaching an agreement with the applicant. Being aware of the operations and name of the applicant, an approach was made to the applicant or its shareholders. In the latter part of 1993, a Mrs Blanchfield, the managing director of Truworhs Zimbabwe Ltd, a local retail chain with some links to the Wooltru Group, intimated to Mr Adam for the applicant, the interest of the South African company in acquiring the business or assets of the applicant. Protracted discussions and negotiations followed but did not result in any agreement. The South African company apparently concluded that the requirements of the applicant for any agreement that would permit its operations in Zimbabwe under the name Woolworths were excessive.
10. It accordingly looked elsewhere for its entry into Zimbabwe — to the first respondent, Sunray Stores (Pvt) Ltd. The first respondent in due course acquired from Woolworths South Africa its sole franchise for Zimbabwe. In August 1995, Mr Peech, the managing director the first respondent, approached the applicant's Mr Adam. He offered to acquire from the applicant the rights to use the name "*Woolworth*" in Zimbabwe.
11. Again, agreement could not be reached. It was accordingly decided by the first respondent and its foreign franchisers that the proposed Zimbabwean outlet would trade under the name "*The W Store*". This name is a trade mark for retail services by Woolworths South Africa through its franchises in Mauritius and Bahrain. The name has been registered as a trade mark in Zimbabwe. Applications for the registration by the first respondent of the trade mark "*Woolworths*" were the subject of objections by the applicant.
12. Plans went ahead apace for the opening of the new W Store. It was to be located in a large and prestigious suburban shopping complex on the outskirts of Harare, to be named Westgate, which was then under construction. In February 1997 there appeared in the local press a report concerning the imminent opening of this centre. It was stated, among other things, that:

"Other prominent tenants within the \$205 million centre's 33 000 sq m of lettable space will be the South African Woolworths family store"
13. In the same month, the new store started soliciting account customers by means of a circular letter enclosing a glossy brochure and an application for credit facilities. The brochure outlines a history of Woolworths South Africa and refers throughout to the business and products of Woolworths. It uses the name "*The W Store*" wherever it refers to the new outlet. It thus brings about a clear association between the name and the brand "*Woolworths*" and the W Store. At the same time it contains on its first page the following:

"Welcome to the W Store in Zimbabwe. A franchise of Woolworths South Africa — to whom all reference, in this document, the name 'Woolworths' relates."
14. This publicity came to the attention of Mr Adam of the applicant. In addition, there were also delivered to F W Woolworth a number of invoices pertaining to shop fittings for the W Store and addressed to "*Woolworths, Harare*".
15. On Monday 17 March 1997, that is three days before the proposed grand opening of the W Store on Thursday 20 March, the applicant brought these proceedings as an urgent chamber application.

16. It averred that it possesses a goodwill pertaining to its trade and the use of the name, "Woolworth"; that the first respondent intends trading under a name closely resembling that of the applicant; that it intends adopting or imitating the trade name or mark of the applicant's goods; that it intends to adopt or imitate the get-up of the applicants merchandise; and that the whole basis of the store to be opened at the Westgate Centre so nearly resembles that of the applicant that it is likely to deceive or cause confusion in a substantial section of the public if not the whole of the country.
17. It accordingly claimed a battery of interdicts, on the grounds of passing off, restraining the first respondent from opening and using or imitating the applicant's name, trade mark, logogram or get-up; from using the name, Woolworths; from selling goods with the trade mark, Woolworths. In addition, there was sought a restraint against the second respondent, the registrar of trademarks and patents, from registering the trademarks under dispute.
18. I refused to deal with the application as an urgent *ex parte* application. I gave instead directions that the papers be properly served on the first respondent and set down in due course as a court application, with leave to advance *viva voce* evidence if so desired and to set the matter down in vacation. On 12 May 1997, proceedings commenced with an inspection in loco of the premises of the W Store and of two Harare branches of the applicant: the Bank Street branch, and the main branch in the First Street mall in the city centre. I read into the record a detailed statement of observations at the scene, from which neither of the two learned advocates appearing demurred. The following is an abbreviated summary of those observations.
19. The W Store is a spacious shop, well appointed and with an atmosphere of comfort and leisure. The extensively carpeted areas, the air-conditioned luxury and the neatly uniformed shop assistants all combine to give an air of subdued elegance, no doubt calculated to induce the well-heeled to spend their money. The goods on display include clothing and footwear; household and kitchen appliances and utensils; linen and bathroom goods. The merchandise is all relatively pricey and of good quality. Every item of merchandise sold in the shop is exclusive to the Wooltru Group and to the first respondent as franchisee. All the goods examined carry a label bearing a trade mark. The trade mark is either "The W Store" or "Woolworths".
20. Where the goods bear a label "Woolworths", an adhesive cloth label, "The W Store", has been placed over the name "Woolworths". Isolated instances could be found where the adhesive tag had slipped off or had not been affixed. Every garment bears a label with the name "Woolworths" and a logogram, "W" on it. Each hangar for garments is of moulded plastic and bears the name Woolworths embossed in its centre. The price tags proclaim "The W Store". The till slips are printed with the name, "The W Store". Every article carries a disclaimer, whether as a label or an adhesive tag, which I reproduce:

"The W Store is the sole Zimbabwean franchise of the Wooltru Group of South Africa. We have no connection with the Woolworth companies of Zimbabwe"
21. Inescapable as one enters the store are two large standard notices exhibiting at eye level the disclaimer which I have duplicated above. One walks between these two signs on coming through the shop entrance.
22. The shops of the applicant are very different. The Bank Street branch is situated in a very busy part of the city, one that carries extremely heavy vehicular and pedestrian traffic. Years of use have not passed without leaving their mark on the premises. They are dirty and shabby in appearance. Wide display windows giving onto the pavement are devoid of display and in many cases full of empty cartons and fly-spotted hand written advertising posters. Window panes are broken. Within, there is little apparent order to the layout of the merchandise. The floors are dirty and badly worn, the walls stained and the merchandise shop-soiled.
23. Although into the middle of May, the shopping area was festooned with tattered makeshift signs advertising an April sale. Empty and broken cardboard boxes impede shoppers' access between gondolas of goods. The shop fittings themselves are in many cases rusty and rather dilapidated — torn cardboard is placed at the edge of some shelves to prevent goods falling off.

24. The main branch on the First Street mall is much cleaner but still presenting a somewhat down-at-heel appearance. The counters and shop fittings are built in, with signs indicating the wares exposed for sale; yet these signs are all effete throughout the shop, bearing no relation to the goods actually on display. The impression of lack of organization that this gives is reinforced by the fact that aisles between displays are blocked by cardboard boxes and broken shopping trolleys. Floor tiles are worn, broken or missing throughout. An escalator between floors is unserviceable.
25. In the basement, damage to the roof has the wall stained with damp. The impression of neglect is heightened by an area designed to display to advantage a variety of light fittings being virtually unused: only a few fly-spotted light bulbs are dangling from worn electric flex. Upstairs is a clothing department and supermarket. A wide variety of labels were present on many different styles of clothes. There was no one house brand. A very small proportion of goods was on display under a "Woolworth" label. The supermarket presents a most unhygienic appearance; the freezers in particular are stained and rusty with panels missing and ice escaping from them. The till points and parcel counter are old, worn and unsightly.
26. Samples of the goods on display and of shopping bags were taken from the various stores. Their relevance is to the issue whether or not either shop has any identifiable getup. The same exhibits show the various logograms upon which the applicant relies as forming part of its identifiable image and which it claims the first respondent is copying. Thus the W Store has as its logogram on all its labels, brochures and other documents, and indeed as the W in its name, a letter as a capital W formed of two interlinked Vs, the whole in a box. Thus:
27. Occasionally, the mark appears as white lettering on a black background, thus:
[Unable to display here- Editor]
28. The applicant, on the other hand, boasts a logogram that consists of a stylized curve reminiscent of a **W**. Thus:
[Unable to display here- Editor]
29. There is, in addition, in evidence at the entrances to the First Street Shop a logogram being a capital W thus: **W**
[Unable to display here- Editor]
30. It was agreed among the parties that this more formal style had been in use by the applicant up to 1956 when the stylized curve was adopted, which had been in use ever since. This curved mark appears on some shopping bags used by the applicant and on those few goods that are sold under a label exclusive to the applicant.
31. A document entitled a profile study of The W Store and F W Woolworth has been prepared by the first respondent and handed to me by consent. It lists a number of differences between the two retailers; the location, appearance and appointments of their shops; the nature and prices of their merchandise; guarantees given and other observations. The contents of the document are not admitted as evidence, they are more in the nature of submissions. Nevertheless, my observations on inspection persuade me that the contents are accurate. Mr *de Bourbon* has drawn no instance of inaccuracy to my attention.
32. The law protects the trader from unlawful competition. The source of this protection is to be found, where no recognised action in respect of a well-defined wrong is relied upon, within the "*broad and ample basis of the Lex Aquilia*" This does not mean that a trader is to be cocooned from all competition. One seeks to strike a balance between the conflicting interests of parties competing for a share of the same market. On the one hand, is a person's right to engage in trade and to augment his customer base and goodwill, and even to do so aggressively at the expense of a competitor's business.
33. On the other hand, a trader is entitled to protect his business, reputation and goodwill from unfair attack by his competitor. The yardstick of that which delineates tolerable competition from unfair invasion may be found in "*the general sense of justice of the community, the boni mores, manifested in public opinion*".

34. In addition to this statement of general principles, there are a number of well-defined specific instances of unlawful competition, involving both direct and indirect attacks upon the legitimate interests of competitors, in respect of which particular principles are recognized and applied. One of these is passing-off, the cause advanced by the applicant.

"The wrong known as passing-off consists in a representation by one person that his business (or merchandise, as the case may be) is that of another, or that it is associated with that of another, and, in order to determine whether a representation amounts to a passing-off, one enquires whether there is a reasonable likelihood that members of the public may be confused into believing that the business of one is, or is concerned with, that of another."

35. The "representation" referred to may be any act by one trader that is calculated to deceive or cause confusion between his goods or business and those of a rival. The act might include the adoption of a trademark, a get-up or any distinguishing sign or slogan. Where a trader does use a mark so closely resembling that of another as is calculated to cause confusion:-

"a trader may be held to have impliedly represented that his goods are those of his rival or that they are connected in some way with his rival. If such conduct causes or is calculated to cause his rival damage, either in the form of diversion of custom or damage to or misappropriation of his goodwill, then the delict of passing-off is committed ... " 6 The right to protect a trade name or get-up is said to arise:

"only ... when the name or get-up has acquired a repute and where as a result of the acquired repute use by others might result in a deception which will cause injury to the goodwill or business to which the goodwill attaches."

36. The existence of some goodwill enjoyed by the plaintiff would therefore seem to be required if such a complaint is successfully to be brought. Indeed the question whether the plaintiff's trade or business has acquired goodwill is unquestionably at least a factor of importance.

"The importance of the acquisition by the plaintiff of a reputation in the trade name is twofold. Firstly, whether the general public will be confused or deceived into thinking, because of identity or similarity of names, that the business of the defendant is that of the plaintiff, or is connected therewith, must, as a matter of logic, depend on the extent to which that name is associated in the minds of members of the public with the business carried on by the plaintiff, ie the extent to which plaintiff has acquired a reputation in that trade name. Secondly, as the rationale of the wrong of passing-off is the protection of the plaintiff's trade and goodwill, a valid cause of action would seem to postulate the existence of a goodwill, ie reputation, attaching to that trade name."

37. So inexorable does this logic seem that it is perhaps a little surprising that there has been some debate as to whether a plaintiff in a passing-off action must establish some reputation or goodwill. The point made by those who have questioned the requirement of proof of a reputation is that a reputation or goodwill is only one of the factors to be considered; that it is difficult to see why a person who, although he is unable to establish a reputation attached to any mark of his, should be without remedy in the face of unconscionable trade conduct by a rival.

38. A full bench of the Cape Provincial Division considered the issue and all three learned judges held that the plaintiff must prove a reputation. In the words of Vos J:-

"In my view, it is a requirement in an action for passing-off that the defendant must pass his business of as being that of the plaintiff. In order to achieve this the clientele on whom the passing-off is perpetrated must be led to believe that the defendant's business is that of the plaintiff. It seems to me to be a logically unassailable proposition that before such clientele can be confused, they must know of the plaintiff's business."

39. The issue was considered by van Dijkhorst J who reached the following conclusion after a review of authorities:-

"In my view, the decisions overwhelmingly support the requirement of a reputation or goodwill on the part of a plaintiff in a passing off action. This does not mean that a party will be without relief should he have no reputation. The general principles of the delict of unlawful competition are wide enough to encompass his case."

40. It is true that after this decision, Corbett JA found it unnecessary to decide whether goodwill in the sense of a reputation attached to a trade name is a *sine qua non* for a successful passing-off action. However, I do not consider that caution as throwing any doubt upon the proposition. Indeed in a subsequent case, the same learned judge stated:-

"One of the elements which a plaintiff in a passing-off action must establish is a reputation in such trade mark. By this is meant that by user or advertising or some similar means the trade mark has become associated in the mind of the purchasing public with goods emanating from the plaintiff and has thus become distinctive of his goods. Because only if there is such a reputation will the user by the defendant, on his own goods, of this mark, or one deceptively similar, be capable of amounting to an implied representation that defendant's goods emanate from the plaintiff or are connected in some way with the plaintiff and thus be capable of causing consequential damage to the plaintiff."

41. The dictum is unequivocal.
42. The principle that a plaintiff must be able to show such an element of goodwill is the *ratio decidendi* in all those many cases wherein a foreign plaintiff has been refused relief on the grounds that he has established no reputation within the jurisdiction where the alleged passing-off is occurring. In the English law, upon which our law of passing off has leaned heavily, the element of proof of goodwill appears to be acknowledged as necessary.
43. Furthermore, in this jurisdiction, the necessity of proving some element of goodwill has been acknowledged by the Supreme Court. Despite some subsequent hesitation on the point in our Supreme Court, it appears to me that the point is settled. In a claim for relief on the grounds of passing off, it is necessary for the plaintiff to establish a goodwill or reputation enjoyed by him in connection with the mark or get-up copied by the defendant. In cases where no sufficient degree of reputation can be established then the cause of action must be sought not in the specific cause of passing off but in the general action for unlawful competition.
44. Applying this principle to the facts of the present case, it seems to me that the applicant has done nothing to establish a goodwill attached to any name, mark or get-up which it claims is being infringed by the first respondent. The W mark is one that has been out of use since 1956. It only appears at the outside of the First Street branch where it is far less prominent than the other marks to which I will refer. It has not been shown to have any particular recognition value or goodwill attached to it.
45. The device is undoubtedly in use being displayed at various porticos on the applicant's shops and on some labels attached to a few garments exposed for sale by the applicants. These labels bear in addition the mark "*new bond from Woolworth*" and the statement "*garments bearing the new bond label are specially made for Woolworth*". There is an attempt to create an exclusive mark and to establish for it a reputation, but there has been absolutely no proof tendered of whether any such reputation has been successfully generated.
46. The name "*Woolworth*" is the final device to which the applicant claims a reputation attaches. No evidence has been led of goodwill or reputation. Nevertheless, given the lengthy period throughout which the applicant has been established in this country, and given the history surrounding the name, I would be prepared to assume that the name has considerable recognition value attached to it. This does not necessarily mean that there is attached to it any goodwill.
47. Goodwill has been said to be:-
- "A thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has power of attraction sufficient to bring customers home to the source from which it emanates."*
48. The applicant has quite properly not attempted to establish, far less to rely upon, any goodwill that might historically and elsewhere have been attached to the name it has inherited. There has been no evidence led according to which I might find, nor any circumstance adduced

from which I might infer, that today in Zimbabwe the name "*Woolworth*" has any power to attract customers to the applicant's places of purveyance, nor that the applicant has any established clientele.

49. On the contrary, the overwhelming impression created by the overall appearance of the applicant's stores and the stock therein is that it relies not on any goodwill or secure customer base but on a passing trade. I would therefore hold that no goodwill or business reputation has been proven by the applicant.
50. Lest such a conclusion be factually incorrect, I consider next whether the first respondent can be said to have misrepresented that its goods or services are, or are associated with, those of the applicant. The applicant has submitted that the first respondent has copied its get-up, used its name and adopted colourable imitations of its (unregistered) trade mark.
51. The first of these submissions is utterly vain. Neither the applicant nor its stores nor goods have any recognisable get-up to speak of. Certainly, the somewhat seedy appearance of the outlets examined and the shop-soiled look of merchandise on display is nothing that the first respondent has contrived to imitate.
52. The use by the first respondent of the name "*The W Store*" cannot, I think, be regarded as imitative of the applicant's name nor as a representation that the first respondent's business is connected with that of the applicant. Indeed that name has been adopted precisely in order to avoid the representation that might be said to have been made by the use of the name "*Woolworths*".
53. Despite forswearing that name as the name of its store and business, the first respondent has undoubtedly used it to some extent in connection with its goods and services. It is a name that is all but indistinguishable from the name "*Woolworth*" used by the applicant. The name that has been used is, however, the first respondent's own name.
54. True it is that, historically, the name may well have come into being in South Africa in imitation of the name then used elsewhere in the world by the original owners of the business now held by the applicants. At this time and in this place, however, it must be regarded as a name proper to the first respondent.
55. The question therefore is whether by the use of its own name, "*Woolworths*", the first respondent is to be taken as representing that its goods and services are connected with those of the applicant, "*Woolworth*". On the face of it, the conduct of the first respondent could be construed as such a representation. I will therefore embark upon the next stage of the inquiry, which is whether such a representation is likely to cause confusion.
56. Before doing so there is one more potential representation to consider. That is whether the first respondent has used a colourable imitation of a trade mark of the applicant. The difference between the mark and the W sign is such that it cannot be said that there is any imitation. There is a much greater similarity between the of the first respondent's and the disused W of the applicant. Because of that similarity I will assume that the former could be regarded as an imitation of the latter and could theoretically be taken as a representation concerning a connection between the goods of the two protagonists. I will therefore take this issue too to the next stage of inquiry, which is whether such a representation is likely to cause confusion.
57. In respect of both potential representations, as I have already intimated, the issue is whether by the use of its own name, "*Woolworths*", or its mark, the first respondent is reasonably likely to deceive the ordinary members of the purchasing public, or a substantial section thereof, to associate the first respondent's W Store with the applicant or to confuse the goods and services of the former with those of the latter. Specific principles have been enunciated where an aggrieved trader is attempting to prevent the use by a rival of the rival's own name.
58. The right of a trader to trade under his own name is said to be "*firmly entrenched in our law*", subject to certain limitations. These limitations are:-

"(a) *If he has contracted not to do so.*

(b) *If the business is started for the fraudulent purpose of imitating another's goods and so filching his trade ...*

(c) *If the defendant has garnished the use of another's name by imitating the get-up of the latter's goods ... or by imitating his labels, etc, so as to deceive ...*

(d) *If a person has previously through his advertisements and through the quality of his of goods made his name valuable as a trade name so that his name has become distinctive both of his goods and of himself as the manufacturer of those goods, and if his goods have come to be universally known in the market by his name then his name is said to have obtained a secondary meaning. When this is the case then another cannot use that name in connection with a similar class of goods unless he makes it perfectly clear to the public that he is not selling the goods of the original manufacturer — 'for the plaintiff by the reputation he has acquired in the business has really come to denote the goods by his personal name just as he might denote them by some fancy name that he might choose to use' ...*

(e) *If it is manifest from the advertisements, the get-up of the articles or other acts of the later manufacturer that he is representing that the goods are the goods of the earlier manufacturer, then it does not matter whether he is doing so with a deliberate intention to deceive or not. He must carry on his business in such a way as to lead those who deal with him in that business to believe that that are buying goods of the earlier manufacturer of the same name ... "*

59. It is true that these rules are stated in connection with the use by a natural person of his given name in his or his firm's or company's business, but I think that in the analogous situation of an established company wanting to use itself, or by franchise, its own acknowledged name or mark, a similar principle must apply. In any event, it can be seen that the detailed rules are but an application of the general principles of passing off.

60. It seems to me, after close consideration of all the facts and legal principles, that there is no reasonable likelihood of confusion between the businesses of the two parties. Undoubtedly, some degree of initial confusion is inevitable. Although the first respondent has deliberately eschewed the use of the name "Woolworths" for its store's name, it has nevertheless in publicity emphasised its connection with the name. It must, I think, be expected that The W Store may quickly become popularly known as "Woolworths".

61. This name is, as I have said, all but indistinguishable from the applicant's "Woolworth". Similarly, the applicant's W (to the extent it has any recognition value at all) and the first respondent's are likely to be associated simply as the initial letter of the name "Woolworth" or "Woolworths" without differentiation.

62. I cannot accept, however, that any such initial confusion is likely to persist or to detract from whatever goodwill the applicant may enjoy, or to damage its business. My reasons for holding this very firm view are as follows. Although the parties both conduct the same type of trade, they move in very different spheres or classes of business within that trade. The quality, class and price of merchandise purveyed by the applicant all differ beyond recognition from the like attributes of the goods moved by the first respondent. Where the applicant's ware is cheap and, for the most part, readily available from any number of competitors, that of the first respondent is pricey and exclusive to the W Store. The divergence in character, style and locality of the shopping surroundings in the outlets of the two rivals is even more marked, as my detailed description has very clearly shown.

There is no question of the applicant's name having acquired a secondary meaning synonymous with its goods and services.

63. The misdirection to the applicant of invoices pertaining to the first respondent does not weigh very heavily with me. All businesses are subject to this sort of mistake and such an error in the diversion of mail does not itself suggest the likelihood of business being diverted. This circumstance is rarely regarded as indicative of the probability of confusion amongst customers. This error is perhaps consistent with the initial confusion the possibility of which I have acknowledged but of no more than that. Any likelihood of lasting confusion amongst the shopping public is amply negated by the strenuous measures taken to dispel any such eventuality.

64. This last consideration I regard as decisive. The first respondent has in fact done all it possibly can to ensure that any such initial deception is completely dispelled. The plethora and clarity of disclaimer is most impressive and must surely be effective. Consider an hypothetical customer of the applicant's. He might indeed hear of the new "Woolworths" out in Westgate and decide to undertake an expedition to inspect it. On arrival, from the outside he cannot fail to see that this is a very different type of store from that he has been used to shop in.
65. Supposing that he still believes that the merchant he favours has simply established a new, and far more salubrious, branch, he might enter the shop where he will encounter the brace of disclaiming signs in all their unmistakable prominence. He will not fail to notice the entirely different layout and ambiance of this shop, compared with what he is used to. Assume, nevertheless, that he is inattentive enough to be blind to all these obvious manifestations and decides to buy an article, say, of clothing. He will select his garment and look for its price; he will be faced with an array of labels including a repetition of the disclaimer he has already overlooked.
66. Even if he still fails to notice it, he will finally encounter the price tag. The price will be higher than anything he has paid for a garment in the applicant's stores. It will be most unexpected. If that does not deter him from his transaction, he will take the garment to the till. There once again he will encounter signs telling him, as plainly as can be, that he is not buying from F W Woolworth, but rather from a sole franchise in Zimbabwe of a South African chain. That should immediately explain to him the high price of the garment and every other "non-F W Woolworth" feature that he will have experienced on his little foray. He would, in my estimation, have to be engagingly naïve and crushingly unobservant to walk out of the shop with a purchase still believing that he has patronised a branch of the applicant.
67. In assessing the likelihood of deception one is enjoined to take into account the class of persons who are likely to be purchasers of the goods in question.
68. Here, the most that can be said on this score is that one would expect the more affluent to be patronising the W Store. If this is a valid classification, then I would suggest that the sort of person who would not take note of, or could not understand, the disclaimer, is, I would judge, the sort of person who would be deterred by the price of the first respondent's merchandise.
69. Lest it be thought that it is not possible to classify the consumers of products sold variously by the rival traders in this suit, then one must assess the likelihood of confusion by postulating the reaction of the ordinary member of the purchasing public.
70. I consider that I have shown how unlikely it is that such an ordinary customer would remain confused. When it is realised that the applicant must, to succeed, establish such a likelihood of confusion as affecting, not just idiosyncratic individuals, but the general public or a substantial section of it, then it may be perceived how far the applicant is from establishing its case. I consider that there is no probability of such confusion.
71. Since the applicant has failed to establish the commission by the first respondent of a passing off, it is not entitled to the restraints it seeks against that party. In addition, I do not consider that there is any merit in restraining the second respondent from registering any trademark that may be in dispute. The decision whether or not to register any mark applied for by the first respondent and opposed by the applicant, is one proper to that official.
72. The applicant's remedy is to persuade the second respondent to its point of view, and should it fail, to seek normal recourse for the adverse decision. That remedy is an adequate, indeed preferable, alternative and should be pursued.

In the result, I would dismiss the application with costs.

Ali Ebrahim, applicant's legal practitioners

Gill, Godlonton & Gerrans, respondent's legal practitioners