

Trade marks

Infringement

## Section 33 TMA:

trade mark infringement proceedings may be brought only in respect of a registered trade mark.

# Types of infringement distinguished in s34 TMA

Section 34(1)(a) infringement:

use of the same or similar mark in relation **to the same** goods and services

Section 34(1)(b) infringement:

use of the same or similar marks in relation **to similar** goods and services

Section 34(1)(c) infringement:

non-confusing or non-deceptive use of a well-known mark which takes unfair advantage of or is detrimental to that mark (**dilution**)

Use in relation to the goods or services in respect of which the trade mark is registered:

-Section 11(1) TMA: a trade mark is registered 'in respect of goods or services falling in a particular class or particular classes in accordance with the prescribed classification'.

-The classification is prescribed in schedule 3 of the Trade Mark Regulations.

-Schedule 3 is based directly on the International Classification of Goods and Services for the Purposes of the Registration of Trade Marks under the Nice Agreement of 1957 (Nice Classification).

## GOODS

### *Class 1*

Chemicals used in industry, science and photography, as well as in agriculture, horticulture and forestry; unprocessed artificial resins, unprocessed plastics; manures; fire-extinguishing compositions; tempering and soldering preparations; chemical substances for preserving foodstuffs; tanning substances; adhesives used in industry.

### *Class 2*

Paints, varnishes, lacquers; preservatives against rust and against deterioration of wood; colourants; mordants; raw natural resins, metals in foil and powder form for painters, decorators, printers and artists.

### *Class 3*

Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices.

### *Class 4*

Industrial oils and greases; lubricants; dust absorbing, wetting and binding compositions; fuels (including motor spirit) and illuminants; candles, wicks.

### *Class 5*

Pharmaceutical, veterinary and sanitary preparations; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides.

See Moodle 'Notes on the Nice classification system'

## SERVICES

### *Class 35*

Offering for sale and the sale of goods in the retail and wholesale-trade; advertising; business management; business administration; office functions.

### *Class 36*

Insurance; financial affairs, monetary affairs; real estate affairs.

### *Class 37*

Building construction; repair; installation services.

### *Class 38*

Telecommunications

### *Class 39*

Transport; packaging and storage of goods; travel arrangement.

### *Class 40*

Treatment of materials.

Services: classes 35 to 45 of the register

*Plascon-Evans Paints Ltd v Van Riebeeck Paints (Pty) Ltd*

**"Micatex" (registered by the appellant):**

**"mikacote" (application for registration by the respondent):**

In respect of...

In respect of...

"Paints, varnishes (other than insulating varnish), enamels (in the nature of paint), distempers, lacquers, preservatives against rust and against deterioration of wood and anti-corrosives, all containing mica."

"Paints and similar products."

*Plascon-Evans Paints Ltd v Van Riebeeck Paints (Pty) Ltd*

Issues on appeal:

(1) Whether the use by respondent of the mark Mikacote was use as a trade mark.

(2) Whether the use by respondent of the mark Mikacote infringed appellant's rights as the registered proprietor of the trade mark Micatex.

(3) Whether the use by respondent of the mark Mikacote was protected by the provisions of s 46 *(b)* of the Act.



*Plascon-Evans Paints Ltd v Van Riebeeck Paints (Pty) Ltd* : the issue of infringement

“It is not incumbent upon the plaintiff to show that every person interested or concerned (usually as customer) in the class of goods for which his trade mark has been registered would probably be deceived or confused. It is sufficient if the probabilities establish that a substantial number of such persons will be deceived or confused. The concept of deception or confusion is not limited to inducing in the minds of interested persons the erroneous belief or impression that the goods in relation to which the defendant’s mark is used are the goods of the proprietor of the registered mark, i.e. the plaintiff, or that there is a material connection between the defendant’s goods and the proprietor of the registered mark; it is enough for the plaintiff to show that a substantial number of persons will probably be confused as to the origin of the goods or the existence or non-existence of such a connection.”- p.640

*Plascon-Evans Paints Ltd v Van Riebeeck Paints (Pty) Ltd :*

**The approach to be used in comparing the ‘complaining ‘and ‘defending ‘ mark**

1. The comparison must be made with reference to the sense, sound and appearance of the marks.
2. The marks must be viewed as they would be encountered in the market place and against the background of relevant surrounding circumstances.
3. The marks must not only be considered side by side, but also separately.
4. Consideration must be given to the manner in which the marks are likely to be employed as, for example, the use of name marks in conjunction with a generic description of the goods.

*Beecham Group plc v Southern Transvaal  
Pharmaceutical Pricing Bureau (Pty) Ltd 1993 (1) SA  
546 (A)*

Proper interpretation of the phrase “**use in the course of trade**”- s44(1)(b) of the Trade Marks Act 62 of 1963:

'(1) ... (T)he rights acquired by registration of a trade mark shall be infringed by -

*(a)* ...

*(b)* unauthorized use in the course of trade, otherwise than as a trade mark, of a mark so nearly resembling it as to be likely to deceive or cause confusion, if such use is in relation to or in connection with goods or services for which the trade mark is registered and is likely to cause injury or prejudice to the proprietor of the trade mark: ...'

*Beecham Group plc v Southern Transvaal  
Pharmaceutical Pricing Bureau (Pty) Ltd*

Alleged infringement by the respondent:

Infringing appellant's seven registered trade marks by incorporating such marks in the Super Scripts system in a manner which causes the registered trade marks to be displayed for the purposes of comparing the appellant's products with other parties' products and indicating that such other parties' products may be utilised in substitution for those of the appellant.

*Beecham Group plc v Southern Transvaal  
Pharmaceutical Pricing Bureau (Pty) Ltd:*  
judgment

“...this phrase must be understood as having reference to a trade in goods falling into the classes for which the trade mark is registered or to goods which are so closely associated therewith that the use by the alleged infringer of the trade mark, in a manner otherwise than as a trade mark, will enable the alleged infringer to prey upon or take advantage of the reputation and goodwill of the proprietor of the mark.”-p.559

“The conduct of these parties [respondent and other pharmacists who compile lists of brand names and prices for conducting their dispensing business] is far removed from an exploitation of or preying upon the goodwill and reputation of appellant's business.”

# *Abbot Laboratories v UAP Crop Care (Pty) Ltd*

## **First applicant's marks:**

PROMALIN- registered in class 1 in respect of 'agricultural chemicals'

ABBOTT- registered in class 1 in respect of 'chemical products used in agriculture, horticulture and forestry, manures...'

## **2nd respondent's mark:**

PERLAN- registered in the UK

-registration pending in RSA; class 1 in respect of 'chemical products for use in agriculture and horticulture; fertilizers,...'

# Section 34(1)(a) infringement:

## *Abbot Laboratories v UAP Crop Care (Pty) Ltd*

In order to establish infringement in terms of section 34(1)(a) it is necessary for the plaintiff to show:

(a) use of the registered trade mark or of a mark so nearly resembling it as to be likely to deceive or cause confusion;

(b) that the use is in relation to the goods or services in respect of which the trade mark is registered;

(c) that the use is in the course of trade; and

(d) that the use is unauthorised.

# *Abbot Laboratories v UAP Crop Care (Pty) Ltd*

Comparative advertising under the 1993 TMA:

“...the legislature, in enacting the Trade Marks Act, 1993, was concerned that there should be greater obstacles in the way of using trade marks in comparative advertising than was previously the position..., the legislature in 1993 viewed the use of trade marks in comparative advertising more negatively than in the preceding years.”-p.510



*Verimark (Pty) Ltd v BMW AG* 2007 (6) SA 263  
(SCA):

The primary infringement test

“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 an impression of a material link between the product and the owner of the mark there is infringement; otherwise there is not. The use of a mark for purely descriptive purposes will not create that impression but it is also clear that this is not necessarily the definitive test.”-para 7

*Verimark (Pty) Ltd v BMW AG* 2007 (6) SA 263 (SCA):  
Requirements to establish 'dilution'

-not only must the advantage be unfair, but it must be of a sufficiently significant degree to warrant restraining of what is, *ex hypothesi*, non-confusing use; and

-the unfair advantage or the detriment must be properly substantiated or established to the satisfaction of the Court

(para 14).

*British Sugar plc v James Robertson & Sons Ltd:*  
products' registration classes

**Silver Spoon Treat Toppings**

Class 30: Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice.

**Robertson's Toffee Treat**

Class 29: Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats.

# Section 34(1)(b) Similar goods and services

*(British Sugar v Robertsons)*

The following factors must be relevant in considering whether there is or is not similarity:

(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are found or likely to be found in supermarkets and in particular whether they are found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

# *British Sugar v Robertsons*: comparison of the products

“The two products to some extent have the same use, but broadly in practice have different uses. They are hardly in direct competition and consumers will find them in different places in supermarkets. Their physical nature is somewhat different, the Robertson product being hardly pourable and really needing spooning out of the jar whereas the British Sugar product is meant to be poured out of the small hole in the plastic top. Moreover it seems that for the purposes of market research the two products are regarded as falling within different sectors. Taking all these things together, I think the spread is not to be regarded as *similar* to the dessert sauces and syrups of the registration.”

# Section 34(1)(c) infringement:

non-confusing or non-deceptive use of a well-known mark which takes unfair advantage of or is detrimental to that mark (**dilution**) entails:

- Unauthorised use
- In the course of trade
- Of a mark that is the same as or similar to a registered well-known trade mark
- In the absence of confusion or deception
- The use is likely to (a) take unfair advantage of, or (b) be detrimental to the distinctive character or repute of the well-known mark.

-See *Bata Ltd v Face Fashion CC and another* 2001 (1) SA 844 (SCA) followed in *SAB International t/a Sabmark International v Laugh It Off Promotions* [2003] 2 All SA 454 (C)

In *Bata Ltd v Face Fashions CC* 2001 (1) SA 844 (SCA): Section 34(1)(c) requires the plaintiff to establish:

(a) use by the defendant of a mark similar or identical to the plaintiff's registered mark.

(b) that the use is  
(i) unauthorised  
(ii) used in the course of trade  
(iii) would be likely to take unfair advantage of or be detrimental to, the distinctive character of the plaintiff's trade mark

(c) that the plaintiff's trade mark is well known in the Republic.

## Section 34(1)(c) infringement:

Two recognised forms of diluting use:

- 'Tarnishment'

- 'Blurring'



*SAB International t/a Sabmark International v  
Laugh It Off Promotions* [2003] 2 All SA 454 (C)

Section 34(1)(c) infringement

Conveyed message (according to the applicant):

That the applicant has, in the past, exploited and continues deliberately to exploit black labour and is guilty of racial discrimination.

The words used conjure up South Africa's racist past by falsely attributing to the applicant the "Lusty" and "lively exploitation of Black Labour since 1652"

*Laugh It Off Promotions CC v SA Breweries  
International (Finance) BV t/a Sabmark  
International 2005 (2) SA 46 (SCA)*

**Issue:**

Whether or not, on the facts of this case, a finding of infringement would impinge on the appellant's entrenched freedom of expression, which is contained in s 16(1) of the Constitution (para 1)

# *Laugh It Off Promotions (SCA)*

## Judgment

“The appellant is using the reputation of Sabmark's well-known trade mark, which has been established at considerable expense over a lengthy period of time, in the course of trade in relation to goods to the detriment of the repute of the mark without any justification. Such use and detriment is unfair and constitutes an infringement of the said provision. **The appellant's reliance on the freedom of expression is misplaced. It did not exercise its freedom, it abused it**” (para 41).

*Laugh It Off Promotions CC v SAB International  
(Finance) BV t/a Sabmark International 2006 (1)*  
SA 144 (CC)

Found the two-stage approach used by the SCA flawed and proposed a better approach:

Section 34(1)(c) of the TMA should be given a construction most compatible with the constitutional right to freedom of expression.

## *Laugh It Off Promotions* : CC's construction of s34(1)(c)

‘... in a claim under s 34(1) (c), a party that seeks to oust an expressive conduct protected under the Constitution must, on the facts, **establish a likelihood of substantial economic detriment** to the claimant's mark...the protection is against detriment to the repute of the mark; and not against the dignity but the **selling magnetism of the mark**. In an open democracy valuable expressive acts in public ought not to be lightly trampled upon by marginal detriment or harm unrelated to the commercial value that vests in the mark itself” (para 56).

*Laugh It Off Promotions : CC's  
construction of s34(1)(c) cont.*

**a construction [interpretation] of section 34(1)(c) most compatible with the right to free expression.** The anti-dilution provision must bear a meaning which is the least destructive of other entrenched rights and in this case free expression rights. The reach of the statutory prohibition must be curtailed to the least intrusive means necessary to achieve the purpose of the section- para 48