**TRADE MARK INFRINGEMENT**

The rationale for the registration of a trade mark is, of course, the prevention of the unauthorised use of the registered mark (in an instance discussed later, the infringement of an unregistered mark can also be prevented). Four types of infringement proceedings can be identified.

First, section 34(1)(a) of the Trade Marks Act 194 of 1993 determines that the following will amount to infringement, namely, when there is unauthorised use of a mark in the course of trade, in relation to the goods (or services) in respect of which the trade mark is registered, of an identical mark or of a mark so nearly resembling it that it is likely to deceive or cause confusion. The requirement of “use in the course of trade” simply means that there must be trade in relation to the goods concerned. In other words, when a newspaper would use a trade mark as a heading for an article, such as “Nokia’s new model”, there would not be infringement as the mark is not used in the course of trade in cellphones. It must be noted that this form of infringement relates to the same goods. In other words, the mark is registered by A in relation to watches and B uses it in relation to watches. In terms of current law, it is a requirement, for a finding of infringement in the instance under discussion, that a mark must be used as a trade mark, that is, to indicate origin (*Commercial Auto Glass (Pty) Ltd v Bayerische Motoren Werke Aktiengesellschaft* 2007 6 SA 637 (SCA) par 3). For instance, the use of a registered trade mark in a comparative advertisement will not amount to infringement as long as it is clear that consumers will not make a material link between the goods of the advertiser (X) and a competitor (Y) whose mark features in the advertisement.

The comparison of marks, to ascertain whether they are confusingly similar, is an important part of the process of determining possible infringement of a mark. There are three general tests employed. First, marks could be similar on a phonetic basis. For example, COKE and KOKE are spelled differently, but are pronounced the same. Second, marks can be similar conceptually. This occurred in the ruling of the Cape High Court in *Ramsay, Son & Parker (Pty) Ltd v Media 24 Limited and New Media Publishing (Pty) Ltd*, case number 4656/04, delivered on 26 January 2005. In this decision, it was held that the use of the trade mark Wegbreek amounts to an infringement of the trade mark Getaway. With regard to the contention that no dictionary could be found containing a direct translation of the noun “getaway”, the court stated that the issue is not whether Wegbreek is a direct translation of Getaway, but it “must be determined not so much by reference to lexicographers but by attempting to determine how the average South African who understands or uses both Afrikaans or English would answer that question” (para 11). It was then found that the average South African would regard Wegbreek as a close translation of Getaway (par 11). A third test is whether the marks are similar from a visual point of view. Interestingly enough here, the marks Romany Creams and Romantic Dreams have been found not to be confusingly similar (*National Brands Ltd v Blue Lion Manufacturing (Pty) Lt*d 2001 3 SA 563 (SCA)). It seems that the view held previously, namely, that similarity in terms of any one test is sufficient, is no longer valid. In recent times, European cases that place a different emphasis have been followed in South African law (see the decision of the European Court of Justice in *Sabel BVV v Puma AG, Rudolf Dassler Sport* 1998 RPC 199, as applied in the decisions of the Supreme Court of Appeal in *Cowbell AG v ICS Holdings Ltd* 2001 3 SA 941 (SCA) and *Bata Ltd v Face Fashions* CC 2001 1 SA 844 (SCA)). Moreover, it has been pointed out in such decisions that the likelihood of confusion must be “appreciated globally”. This implies that, for instance, a phonetic similarity between marks could be balanced out by a sufficient conceptual dissimilarity between the marks.

The second infringement provision is in section 34(1)(b), which relates to use in relation to similar goods, when confusion is likely. In other words, when, for instance, A has a registration for clothing and B uses the mark in relation to perfumes. Can these goods be considered to be similar? The answer is “yes”, according to the decision in D*anco Clothing (Pty) Ltd v Nu-Care Marketing Sales and Promotions (Pty) Ltd* 1991 4 SA 850 (A). This matter dealt with a conflict regarding the trade mark French Connection in relation to clothing and perfumes, etc. The court stated (860 H-861A) the following:

Cosmetics and clothing, being goods accommodated in different classes on the register, are indeed goods of a widely divergent nature. According to the appellant the link between these classes of goods is established by a variety of considerations. Clothing, on the one hand, and cosmetics, toiletries, perfumery and sun-tan preparations, on the other, are sold, according to the undisputed evidence, in close proximity, through the same trade channels such as large departmental and clothing stores, of which Edgars and Truworths are examples. In addition, several prominent and knowledgeable persons in the trade have deposed that customers in retail outlets of this sort would as a matter of course associate a mark on cosmetics with the identical mark on well known and popular brands of clothing; and that the appellant's mark was indeed well known and popular on clothing in 1985. This is a trend which began with prestige goods, and which has been adopted by a number of manufacturers of more popular brands of clothing who now market cosmetics, perfumery and the like under the same brand names as their clothing.

In other words, the respective goods were considered to be similar in nature. The third form of infringement is that envisaged by section 35(3) of the Act, which provides the same scope of protection as section 34(1)(b), but without a registration. It is required that the mark must be well known, as envisaged in the Paris Convention. Protection is possible, whether or not such a person carries on business or has any goodwill in South Africa (section 35(1)). In determining whether a trade mark is well known, one may look at the knowledge of the trade mark in the relevant sector of the public, including knowledge that has been obtained as a result of the promotion of the trade mark (section 1(A)).

Fourth, section 34(1)(c) provides protection against the unauthorised use of a mark that is identical or similar to a famous registered trade mark, in relation to any goods or services, if the use of the trade mark would be likely to take unfair advantage of or be detrimental to the distinctive character or the reputation of the registered trade mark, even if there is no likelihood of confusion or deception. This type of infringement can thus take place even if the mark is used in relation to dissimilar goods or services. For example, Sony is a famous trade mark in relation to electronic goods, but it will also be protected against use on clothing. The decision of the Constitutional Court in *Laugh It Off Promotions CC v South African Breweries International (Finance) B.V. t/a as Sabmark International and the Freedom of Expression Institute* 2005 8 BCLR 743 (CC) threw some light on the concept of “detriment”. The court set out (par 56, own emphasis in italics) the position as follows:

I hold that in a claim under section 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. There is indeed much to be said for the contention that, in a claim based on tarnishment of a trade mark, the probability of material detriment to the mark envisaged in the section must be restricted to economic and trade harm. In essence the protection is against detriment to the repute of the mark; and not against the dignity but the selling magnetism of the mark.

With regard to the question of how such detriment can be established, the court stated (par 58) the following:

Even accepting that the racial slur may be unsavoury there is no evidence that it has or is likely to attach to or tarnish the selling power of the mark. It is plain from the record that no evidence, direct or inferential, was adduced to establish likelihood of detriment, either in the sense of unfavourable associations that have been created between the registered marks and the illustration on the T-shirts, or in the context of a likelihood of loss of sales by virtue of the reduced commercial magnetism of the mark.

The *Laugh It Off* case has paved the way for the recognition of parody as an instance when a famous mark could be used without it necessarily amounting to infringement. Interesting developments have occurred in this regard overseas. For instance, the makers of the prestigious Louis Vuitton products were unsuccessful in trying to prevent the manufacture of a product for dogs called Chewy Vuiton. On the other hand, the Starbucks mark was protected by the American courts in an instance where a similar logo along with the words “Consumer whore” was used. It seems that, both locally and overseas, famous trade marks are objects of perennial (commercial) inspiration to budding entrepreneurs.

Last, there are a number of exceptions to trade mark infringement. These include the *bona fide* use of a person’s own name, the *bona fide* description of the kind or quality of goods or the intended purpose of spare parts. In these three instances, the use must also be consistent with fair practice (section 34(2)(a)-(c)). In the case of spare parts, it would be acceptable to advertise goods as “Windscreens suitable for the BMW 3-Series”, but it would be infringement to state that a product is a “BMW windscreen” (see the *Commercial Auto Glass* case). With regard to parallel imports, the position is that the importation or sale of genuine goods would not amount to infringement (section 34(2)(d)). Also permitted is the *bona fide* use of any utilitarian features embodied in a container (section 34(2)(e)). The use of a registered mark also does not amount to infringement (section 34(2)(g)). In view of the latter, it would be necessary for a trade mark proprietor who is of the view that a third party should not have obtained registration in view of, for instance, the proprietor’s earlier registration, to have the registration expunged (see sections 10(14) and 24(1)).

Prof Wim Alberts

(adapted version of article first published in *De Rebus*)