

## **TRADE MARKS IN SOUTH AFRICA**

Inventing or designing a new product or device is only the first step on the road to commercialising the new creation. As part of the marketing phase, the produce or device should be allocated a distinctive name - which brings us to the area of trade mark law.

Trade marks in South Africa are governed by the Trade Marks Act no. 94 of 1993, which came into force on 1 May 1995.

### **The nature of a trade marks**

A trade mark, generally speaking, is a mark used or proposed to be used by a person in relation to goods or services for the purpose of distinguishing those goods or services from the same kind of goods or services connected in the course of trade with any other person.

A "mark" is defined broadly as any sign capable of being represented graphically, including a device, name, signature, word, letter, numeral, shape, configuration, pattern, ornamentation, colour or container for goods, or any combination thereof.

A "device" is defined as any visual representation or illustration capable of being reproduced upon a surface, whether by printing, embossing or by any other means.

"Services" include the offering for sale or the sale of goods in the retail or wholesale trade.

### **Collective marks**

A collective mark is a mark capable of distinguishing in the course of trade, goods or services of persons who are members of an association from goods or services of persons who are not members thereof. Geographical names and other indications of geographical origin may be registered as collective trade marks.

### **Certification marks**

A certification mark is a mark capable of distinguishing in the course of trade the goods or services certified by any person in respect of origin, material, mode of manufacture or performance, quality, accuracy or any other characteristic from goods which are not so certified. A certification mark may not be registered in the name of a person who carries on a trade in the goods or services for which protection is sought.

### **The right to use a trade mark**

It is important to emphasise that registration of a trade mark does not necessarily confer an absolute right to use the mark. Prior rights, recognised by law, to a relevant

mark may have been secured in ways other than by registration. Thus, it is conceivable that the proprietor of some confusingly similar trade mark may be in a position, successfully, to object to registration or use of the selected mark on the basis that:

- he has acquired common law rights by virtue of use of the mark in this country in relation to the same or similar goods or services; or
- his mark has acquired an international reputation and has become entitled to protection under the Paris Convention as a mark well-known in South Africa, even though it may never have been used here.

Prior rights may also have been acquired by another person, carrying on business as an enterprise dealing in the same or associated goods or offering the same services, under a business name (even an unregistered trading style) bearing a confusing resemblance to the proposed trade mark. That person may have grounds for opposing the registration or restraining the use of the trade mark.

Accordingly, it is advisable for a trade mark owner intending to launch a newly adopted mark commercially, to take the following preliminary steps:

- to have a search conducted at the Trade Marks Office in Pretoria in order to determine whether there are any marks on record encompassing the same or similar goods or services, and which are identical to or resemble the mark he has chosen;
- to have a search conducted at the Companies Office in Pretoria in order to determine whether there are any companies or close corporations registered with a name similar to the proposed trade mark; and
- to make appropriate investigations in trade circles in order to establish whether anyone is using (with or without the benefit of registration) the same or a confusingly similar mark (whether as a trade mark, business or trading style, as part of the name of a company or close corporation or otherwise) in a business concerned with goods or services the same as or similar to the goods or services which he intends to produce or offer under his selected trade mark.

Apart from possible errors in the official indices, a search is not necessarily decisive as to availability, since it does not, as already pointed out, disclose conflicting marks which are already being used (but have not been registered) by other persons who, by virtue of such prior user, may have a preferent right to registration.

### **The advantages and benefits of registration**

While common law rights can be acquired through use of a trade mark, the advantages of registration are substantial and should not be underestimated. The advantages may be summarised as follows:

- registration provides an easy remedy (the action for infringement) whereby third parties may be restrained from using the same or closely similar marks;
- registration acts as a deterrent to potential infringers;
- the trade mark owner, by being in a position to offer the statutory protection of a registration, is more likely to attract licensees;
- registration allows a trade mark owner or licensee to use the words "Registered Trade Mark" or an abbreviation thereof in conjunction with the trade mark; and
- registration affords a prima facie (but not an absolute) right to use the trade mark concerned.

### **Requirements for a trade mark to be registrable**

In order to be registrable, a trade mark must be capable of distinguishing the goods or services of one person from the goods or services of another person. A trade mark will be considered capable of distinguishing if, at the date of application, it is inherently capable of distinguishing or if it has become capable of distinguishing by reason of its prior use.

Any trade mark which is proved distinctive will probably be registrable, provided that it is not expressly excluded from registration in terms of the Act. Trade marks which are specifically excluded from registration in terms of the Act include:

- a mark which does not constitute a trade mark, or is not capable of distinguishing, or which merely designates specific characteristics of the goods or services, or which has become customary in the current language or established trade practices;
- a mark in respect of which the applicant has no bona fide claim to proprietorship, or in respect of which an application has been made in bad faith;
- a mark which the applicant has no bona fide intention to use as a trade mark, either himself or through a licensee;
- a mark which consists exclusively of the shape, configuration, colour or pattern of goods where such shape, configuration, colour or pattern is necessary to obtain a specific technical result, or results from the nature of the goods themselves. This is a total prohibition and no amount of use will qualify such a mark for registration;
- a mark which constitutes or includes a reproduction, imitation or translation of a "well known" foreign trade mark for similar goods or services, where such use is likely to cause deception or confusion;
- a mark which is identical or similar to a trade mark which is already registered and which is well-known in the Republic, if the use of the mark sought to be

registered would be likely to dilute, take unfair advantage of, or be detrimental to the distinctive character or repute of the well-known trade mark;

(NB."Dilution" is the gradual whittling away or diminution of distinctiveness, commercial magnetism or selling power of a trade mark.)

- a mark which is inherently deceptive, contrary to law, or contra bonos mores, or the use of which would be likely to deceive or cause confusion or offend any class of persons;
- a mark which is identical or similar to an earlier registration in respect of the same or similar goods or services, where use of both marks would be likely to deceive or cause confusion;
- a mark which consists of or contains the national flag or armorial bearings, or a state emblem or official sign of the Republic of South Africa or certain other countries and international organisations.

### **Application for registration**

#### **Applicant**

Any person with a bona fide intent to use a mark as a trade mark, either himself or through any person permitted by him to use the mark (ie. a licensee), may file an application for its registration.

#### **Classification of trade marks**

Goods and services are classified into classes for purposes of registration. (South Africa has adopted the international Nice Classification of Goods and Services.) A separate application must be filed in each class in which protection is desired.

#### **Procedure**

All applications undergo examination by the Trade Marks Office to determine inherent registrability as well as possible conflict with prior registrations or applications.

After examination, the Trade Marks Office will either accept the application or preliminarily refuse it or indicate the conditions subject to which it may be accepted. If there is a preliminary refusal or conditional acceptance, an opportunity is afforded the applicant to make representations to the registrar to overcome whatever objections have been raised or to deal with the application otherwise as circumstances may dictate.

Once a trade mark application has been accepted, it is advertised in the Patent Journal. Opposition proceedings against a trade mark application are very similar to motion proceedings in the High Court. In the absence of objections by third parties within three months of the advertisement date, the application will proceed to grant and a certificate of registration will be issued.

### **Infringement**

There are three types of trade mark infringement namely:

- the unauthorised use in the course of trade in relation to the same goods or services, of an identical mark or a mark so nearly resembling it as to be likely to deceive or cause confusion;
- the unauthorised use in the course of trade of an identical or similar mark, in relation to goods or services which are so similar that there exists the likelihood of deception or confusion;
- the unauthorised use in the course of trade in relation to any goods or services of an identical or similar mark, if the registered trade mark is well-known in the Republic and the use of the other mark would be likely to take unfair advantage of, or be detrimental to, the distinctive character or repute of the registered trade mark.

The remedies for infringement are as follows:

- an interdict;
- an order for the removal of the offending trade mark or, alternatively, delivery-up of the infringing goods;
- damages;
- in lieu of damages, at the option of the proprietor, a reasonable royalty which would have been payable by a licensee for the use of the trade mark concerned.

The following are situations in which the use of a mark does not amount to infringement:

- the bona fide use by a person of his own or his predecessor's name or the name of his or his predecessor's place of business;
- the use by any person of any bona fide description or indication of the kind, quality, quantity, intended purpose, value, geographical origin or other characteristics of his goods or services, or the mode or time of production of the goods or rendering of the services;
- the bona fide use of a trade mark in relation to goods or services where such use is reasonable to indicate the intended purpose of such goods, including spare parts and accessories or the rendering of services;
- the importation into or distribution, sale or offering for sale in the Republic of goods to which the trade mark has been applied by or with the consent of the proprietor;
- the use of a trade mark where such use is within the scope of a limitation entered in the register against the registered trade mark;

- the use of any identical or confusingly or deceptively similar trade mark which is registered.

### **Protection of well-known trade marks**

Protection is also available to the proprietor of a well-known trade mark, whether or not such person carries on business or has any goodwill in the Republic, against the unauthorised use of a mark which constitutes a reproduction, imitation or translation of the well-known trade mark, where:

- the goods or services are identical or similar to the goods or services in respect of which the trade mark is well-known; and
- the use is likely to cause deception or confusion.

A "well known" foreign trade mark is one which is well known in the Republic as being the mark of a person entitled to protection under the Paris Convention whether or not such a person carries on business or has any goodwill in the Republic.

In determining whether a trade mark is "well-known" in the Republic, due regard is given to the knowledge of the trade mark in the relevant sector of the public, including knowledge which has been obtained as a result of the promotion or advertisement of the trade mark. The degree of awareness of the trade mark required has been held to mean knowledge by a substantial number of persons in the relevant sector of the public.

### **Duration and renewal**

A trade mark is registered for a period of ten years, calculated from the date of the original application and may be renewed in perpetuity for periods of ten years on application in the prescribed manner and on payment of the renewal fees.

### **Offences**

It is an offence to represent that:

- an unregistered trade mark is a registered trade mark;
- part of a trade mark not separately registered, is a registered trade mark;
- a registered trade mark is registered for goods or services for which it is not in fact registered.

A person who is found guilty of any of the above offences is liable to a fine or to imprisonment for a period not exceeding 12 months.