

IN THE TRIBUNAL OF THE REGISTRAR OF TRADE MARKS

TRADE MARKS ACT, ACT 194 OF 1993

Trade Mark Application No. 2002/03861 **BAKER'S BONUS** and **BAKERMAN** Device in
Class 30

NATIONAL BRANDS LIMITED

Opponent

And

LESAFFRE ET COMPAGNIE

Applicant

JUDGMENT

The Applicant for registration is Lesaffre Et Compagnie (hereinafter referred to as "the Applicant"), a French company with its principal place of business at 41 Rue Etienne Marcel Street, Paris, France. The Applicant applied for the registration of trade mark application no. 2002/03861 BAKER'S BONUS and BAKERMAN Device in class 30 in respect of:

"Flower, yeast, baking powder, bread improvers (raw materials and additives for preparing and improving bakery products) dough making bread, salt."

The Opponent is National Brands Limited, a company incorporated in the Republic of South Africa, with its principal place of business at 30 Sloane Street, Bryanston, Johannesburg, South Africa. The Opponent is the registered proprietor of BAKERS and BAKERS and BAKERMAN device trade marks. The Opponent's relevant trade mark registrations are listed in paragraph 10 on pages 8 to 11 of the founding affidavit.

The Applicant lodged a counter application for partial expungement of the Opponent's trade marks. The Opponent is the Respondent in the counter application.

Both these matters were argued before me simultaneously, and I will deal with it as such hereunder.

The Opponent opposed the registration of the Applicant's trade mark on the basis of its existing registered rights in the trade marks BAKERS and BAKERS AND BAKERMAN device. The Opponents alleged the Applicant's mark offended the provisions of Sections 10(3), 10(12), 10(14) and 10(17) of the Trade Marks Act, No. 193 of 1994 ("the Act").

Section 10 provides that:

Uregistrable trade marks.- *The following marks shall not be registered as trade marks or, if registered, shall, subject to the provisions of sections 3 and 70, be liable to be removed from the register:*

(3) a mark in relation to which the applicant for registration has no bona fide claim to proprietorship,

(12) a mark which is inherently deceptive or the use of which would be likely to deceive or cause confusion, be contrary to law, be contra bones mores, or be likely to give offence to any class of persons,

(14) subject to the provision of section 14, a mark which is identical to a registered trade mark belonging to a different proprietor or so similar thereto that the use thereof in relation to goods or services in respect of which it is sought to be registered and which are the same as or similar to the goods or services in respect of such trade mark is registered, would be likely to deceive or cause confusion, unless the proprietor of such trade mark consents to the registration of such mark,

(17) 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 take unfair advantage of, or be detrimental to, the distinctive character or the repute of the registered mark, notwithstanding the absence of deception or confusion, unless the proprietor of such trade mark consents to the registration of such mark

APPLICATION FOR PARTIAL EXPUNGEMENT

The Applicant filed a counter application for the partial expungement of some of the Opponent's trade marks. The Applicant's contention was that the specification of the Opponent's trade mark registrations were extremely wide. In its heads of arguments the Applicant submitted that the Opponent only used, and had for the last years only used, its trade marks in relation to "*biscuits, confectionery, crisp breads and related goods*"

The Applicant sought the partial expungement of the Opponent's marks on the basis that the Opponent had not used its trade mark in relation to all the goods for which they were registered. In this regard the Applicant relied on the provisions of Section 27(1) (a) of the Trade Marks Act 194 of 1993 ("the Act").

Section 27(1) (a) provides that:

27. Removal register on ground of non-use.- (1) *Subject to the provisions of section 70 (2), a registered trade mark may, on application to the court, or, at the option of the applicant and subject to the provisions of section 59 and in the prescribed manner, to the registrar by any interested person, be removed from the register in respect of any goods or services in respect of which it is registered on the ground either –*

(a) *that the trade mark was registered without any bona fide intention on the part of the applicant for registration that it should be used in relation to those goods or services by him or any person permitted to use the trade mark as contemplated*

by section 38, and that there has in fact been no bona fide use of the trade mark in relation to those goods or services by any proprietor thereof or any person so permitted for the time being up to the date three months before the date of the application.

The Opponent's trade mark registrations that relate to the counter application are listed in paragraph 6 of the Applicant's heads of argument from paragraph 6.1.1 – 6.1.10.

The Applicant submitted that it was an interested person as envisaged in Section 27 of the Act, and therefore it had the necessary *locus standi* to apply for the partial expungement of the Opponent's trade marks. It was the Applicant's contention that where a trader uses the fact of his registration as part of his case against another trader in any legal proceedings, the second trader was aggrieved.

In support of its contention that it was an interested party, the Applicant referred to a number of cases. In **Lubbe NO and others v Millenium Style (Pty) Ltd and others, Lubbe and others NNO v Millenium Style (Pty) Ltd 2007 BIP 133 (SCA)**, the Supreme Court of Appeal stated thus (at 137 C – D):

“The question whether a party is an ‘interested person’ entitled to apply for the rectification of the register under section 24 of the 1993 Act as determined at the time of litis contestation and once a party has legal

standing, the other party cannot by its action destroy the first mentioned party's standing. The other reason is this: a person in the trade area covered by the impunged trade mark is in principle an interested party because such a person has an interest in having the register clear objectionable registrations”.

In Commercial Auto Glass (Pty) Ltd v Baker Street Trust and Others 2006 BIP

65 (T) it was held by the (then) Transvaal Division at 69 C:

“Mr Morley, for the respondents, argued that the applicant has not led any evidence that it wishes to expand its business beyond the ‘automotive glass and windscreen manufacture and replacement industry’. As such, he submitted that, other than the class 12 registration under 1942/00516/2, the applicant was not an interested person for the relief that it seeks. It is the only trade mark that can hamper its business activities or in respect of which it may have a ‘pecuniary or proprietary’ interest.

Mr Wheeldon, for the applicant, however, argued that the term ‘interested person’ should be given a meaning which would also accommodate the bona fide aspirations of a competitor in expanding its business to ARG related fields. I agree with Mr Wheeldon”.

In **South African Football Association v Standton Woodrush (Pty) Ltd and Another** 2002 BIP 159 (SCA), Spoelstra J said the following at 239:

“The first respondent contends that in order to have locus standi to institute these proceedings the applicant must show that, as the date of the institution of the proceedings, it was a ‘person aggrieved’ within the meaning of s 33(1) of the Trade Marks Act 62 of 1963 (the old Act) or an ‘interested person’ within the meaning of s 24(1) of the Trade Marks Act, Act 194 of 1993 (the new Act). The new Act commenced on 1 May 1993 and repealed the old Act. I do not consider the change of wording of “person aggrieved” in s 33(1) of the old Act to ‘interested person’ in s 24(1) of the Act of any real significance in this matter. It is clear from the cases which considered the term “person aggrieved” that it refers to persons “who are in some way or other substantially interested in having the mark removed from the register” and “a genuine and legitimate competitive interest in the trade to which the offending mark relates”.

Reference was made in the above case to **Valentino Globe BV v Phillips and Another** 1998 BIP 210 (SCA) at 214 E-H (1998 (3) SA 775 at 781 B-D where Harms JA stated that:

“The onus rests upon the applicant for removal to establish, as a reasonable possibility, that he is a person aggrieved. For this purpose it is assumed that the trade mark is wrongly on the register. A wide and liberal interpretation is given to the term ‘person aggrieved’. The applicant must have a substantial

interest in the mark or must substantially be damaged by it remaining in the register. The fact that the registered constitutes an obstacle to the registration of a mark applied for by the applicant is prima facie evidence of an interest, but if that application for registration was in bad faith, vexatious or without any substance, the prima facie inference is negated by abandoning the term "person aggrieved" and embracing the term "interested person" in the new Act, the Legislature has simply embodied in the legislation the test applied by the Court when investigating whether or not a person was aggrieved by the registration of the trade mark. The same consideration seem to apply as did before the new legislation came into force. I shall approach the matter on this basis".

The Applicant submitted in its heads of argument at paragraph 7.7 that in Webster & Page, **South African Law Trade Marks** at para 13.2, page 13-6, the authors state that the interpretation given to the words "interested person" where they occur in Section 73(6)(a) of the Companies Act, Act 61 of 1973 would *mutates mutandis* be equally applicable in the Act. The following was according to the Applicant quoted therein:

"Accordingly, I believe that the words 'interested person' must be given the widest possible connotation so as to include any person who has a financial interest of any sort, whether actual or contingent, in or against a company, or

relating to it, or with which interest that company might be concerned, provided however that the financial interest in question is not negligible.”

The Applicant's contention was that the above quoted authorities made it clear that, a wide and liberal interpretation should be attached to the phrase “*an interested person*”.

The Applicant contended further that the aim was to preserve the sanctity of the Register, in not allowing a wider protection in a trade mark than that to which it was entitled. It was for this purpose, according to the Applicant, that it was clearly an interested person in this matter. It was also entitled, as stated in its heads of argument to attack the registration of a trade mark which might affect its own rights in its own trade mark.

The Applicant argued that it could not be said that it was *mala fide* in its counter application and there existed no basis on which it should be refused the opportunity of being heard on its application for the partial expungement of the Opponent's mark.

The onus of proving that there had been *bona fides* in respect of the goods registered under the Opponent's trade marks was on the Opponent. In terms of section 27(3), the Opponent bears the onus of showing that there has been relevant

use of the trade mark, as such onus rests on the proprietor of the trade mark. The section provides as follows:

“(3) In the case of an application in terms of paragraph (a) or (b) of subsection (1) the onus of proving, if alleged, there has been relevant use of the trade mark shall rest upon the proprietor thereof.”

The Applicant referred to **Gulf Oil Corporation v Rembrandt Fabrikante en Handelaars (Edms) Bpk 1963 (20 SA 10 (T) at 24**; where the meaning of the term “*bona fide use*” was considered. It was stated by Trollip J that:

“I would therefore say that ‘bona fide use’ in section 136 means use by the proprietor of his registered trade mark in connection with the particular goods in respect of which it is registered with the object or intention primarily of protecting, facilitating and furthering his trading in such goods, and not for some other, ulterior object”.

“It would follow that in my view a use merely to protect a trade mark from expungement from the register under section 136, without the proprietor’s having any intention of trading in the goods in respect of which it was registered, would not be bona fide because that would constitute an ulterior purpose.”

The Applicant in this matter submitted that the Opponent had not used its trade marks in relation to any goods beyond a variety of biscuits, confectionary, crisp breads and related goods during the five year period preceding the partial

expungement application. It was the Applicant's contention that the goods to be expunged were typically raw products used in the manufacture or baking of biscuits, confectionery and crisp breads, the latter of which the Opponent actually used its trade marks in respect of. Some of these goods were to the Applicant completely irrelevant to the Opponent's goods sold under its trade marks. These goods included coffee, tea, cocoa, sugar, rice, tapioca, sago, coffee substitutes, flour and preparations made from cereals, ices, honey, treacle, yeast, baking powder, salt, mustard, pepper, vinegar, sauces, spices, ice.

The Applicant contended that all the examples of use of the Opponent's mark on Annexures CS 15 – CS 19 on pages 44 – 48, were of the biscuits sold by the Opponent.

In **Berman Brothers (Pty) Ltd v Sodastream Ltd and another 1986 (3) SA 209**

(A) Corbett JA held that:

“Where the same word constitutes the trade mark under more than one registration, each in respect of separate class of goods, and this word is used upon an article which comprehends elements which fall within more than one of these classes of goods, the test as to which of the registered trade marks is so used should, in my view, be an objective one. The Court must ask itself, having regard to all the circumstances, to what would the ordinary reasonable consumer of the article regard the mark as referring?”.

In **Shalom Investment (Pty) Limited and others v Dan River Mills Incorporated**

1971 (1) SA 689 (A) it was held that:

“Where labels bearing a proprietor’s mark were being sewn into dresses, it was abundantly plain that the appellants used the respondent’s Dan River mark upon and in relation to and in connection with dresses themselves, as distinct from only the materials of which the dresses were made”.

In **Arjo Wiggins Ltd v Idem (Pty) Ltd 2002 (1) SA 591 (SCA)** was stated that:

“In order for use to be relevant for statutory purposes, it must be use in the commercial sense, i.e. with the intention of trading commercially in that specific article. Since absence of intention to trade commercially in the particular goods in respect of which the trade mark is registered renders use of the mark statutorily inauthentic, it must follow that use of the trade mark on goods other than with the object of promoting trade in those goods cannot constitute bona fide use for statutory purposes, even if that use promotes trade in other goods. Although Arjo’s use of the trade mark on the promotional goods was ‘commercial’ in that it promoted goods in which it did trade, it was not commercial use in relation to the goods on which it was displayed since those goods were not being traded. And while use of the trade mark on those goods was use in order to distinguish them from others similar goods, but in other goods within the specification. As it has been expressed elsewhere, regarding all the items within the specification other

than carbonless copying paper, Arjo proved no course embarked on as end in itself’.

The Applicant contended that when applying the above mentioned principles, it was clear that the Opponent had not used its trade marks in respect of any goods beyond biscuits, confectionary and bread. It had certainly not used its marks in relation to those goods to which the partial expungement application related. It was submitted that the Opponent had failed to discharge the onus on it to prove use of its mark in relation to goods which were subject of the expungement application.

It was argued on behalf of the Opponent that it was difficult to understand the Applicant’s submission that flour, yeast, bread improvers, dough for making bread and salt could be regarded as specialised raw ingredients in the baking process. Every bread baked worldwide was, according to the Opponent, made with flour, salt, baking improvers and dough. It was submitted that the alleged difference between the Applicant’s and Opponent’s goods were a difference without a difference.

The Opponent disputed the allegation that the Applicant sold its yeast to industrial consumers and that its application was limited to a specific specialist market. The Opponent submitted that the allegation that it used its trade marks only in relation to certain goods did not justify the partial expungement of other goods in the specification of its various registrations.

Reference was made by the Opponent to the affidavits obtained from owners of supermarkets stating that they would assume that BAKER' BONUS and BAKERMAN yeast originated from the Opponent. These affidavits are Annexure "TR19" on pages 301 – 310 of the Court records. It was in view of these affidavits the Opponent submitted, that it was difficult to imagine that consumers would not be deceived and confused when they encountered BAKERS and BAKERMAN device biscuits confectionery or crisp breads and BAKER'S BONUS and BAKERMAN device yeast, dough or flour in the same advertisement, magazine article or similar publication or in the market place into believing that they originated from the same source, that there was some form of association between the parties and their respective products, or that the one was a new line extension of the other.

Whether there was such a reasonable likelihood of such confusion arising was, of course, a question of fact which would have to be determined in the light of the circumstances of each case **(Capital Estate and General Agencies (Pty) Ltd v Holding Inns Inc 1977 (2) SA 916 (A) 929).**

Relying on common law principles, the Opponent submitted that in an action for passing-off, a plaintiff must prove that there was a misrepresentation, that the trade mark, or get-up, service mark or trade name which it claimed had been imitated, was known in the market and had acquired with the public a reputation associated with

goods, services or business and that the defendant's conduct was likely to deceive or confuse the public.

The Opponent contended that whether a partial expungement order was made was discretionary, and even when a case was made out for expungement, the Registrar, in her/his discretion, might still refuse the expungement. The Opponent also referred to **Arjo Wiggins** (*supra*) where the following was stated:

“At source, the difficulties spring from the incontestable fact that Arjo proved statutorily relevant use of its trade mark on ‘paper’, admittedly a subject paper, but paper nonetheless, since in the description of the traded goods ‘carbonless’ and ‘copying’ are merely attributes qualifying a commodity, and that commodity is expressly protected by the registration sought to be expunged. It is therefore not surprising that an attempt to draw lines within the commodity occasions both conceptual and operational difficulties.”

In the **MINREVA Trade Mark case (2000) FSR 734 (ChD) 738** the following was held:

“The question Jacob J asked was “whether there had been non-use in respect of a significant subset of a wide general description”, and one of the criteria he applied was whether ‘it would be commercially nonsense to maintain the registration for all goods covered by the words’.. To similar effect, in Mercury Communication Ltd v Mercury Interactive (UK) Ltd, where Laddie J postulated

that a specification should be cut down where it covers goods which are “quite unrelated” to a proprietor’s real trading interests’.

In its heads of argument, the Opponent referred to **ANIMAL Trade Mark 2004 FSR 383 (Chd)** where the use of the trade mark had been in relation to a range of clothing, all of which were aimed at a “surf” image. In rejecting the argument in a partial expungement attack that the goods specification should be limited on the basis of the image of the clothing and or age of the target market, the Court stated that:

“Moreover, trade marks do not normally vanish at the time of purchase. Labels are a constant reminder of the maker. An average consumer would bear this in mind in formulating a fair description. That is a particular answer to Mr Mellor’s suggestion that the fair description should be limited to the intended age of the purchaser. Today’s girl surfer is tomorrow’s wearer of elegant “Animalle”.

Thus I do not accept Mr Mellor’s submission that the specification should be limited to exactly the kind (including image) of goods for which use has been proved. It follows that I do not accept Mr Mellor’s suggestion that the goods of the parties are so far distinct in commercial terms that there can be a sensible revocation confining ‘Animal’ to ‘surf-type’ goods. This would not be meaningful distinction to most members of the public (including some of the

witnesses). Nor does it make sense to try to limit the mark to young adults. This is an exercise in pigeon holing which I do not think the ordinary consumer would undertake if asked to form, for trade mark purposes, a fair description of the goods for which the mark has been used.”

Counsel for the Opponent submitted that, in terms of section 10(3) of the Act, the Applicant clearly, on its own version, did not have any *bona fide* intention to use the BAKERS BONUS and BAKERMAN trade marks in respect of flour, baking powder, dough for making bread and salt, and these trade marks were therefore unregistrable in terms of section 10(3) of the Trade Marks Act. She argued, as a result, that the Opponent had the right to retain its trade mark registrations in relation all the goods specified in the trade mark registrations.

Further, submitted Counsel, the Applicant clearly had no interest in respect of coffee, tea, cocoa, sugar, rice tapioca, sago, coffee substitutes, ices, honey, treacle, salt, mustard, vinegar, pepper, sauces, spices or ice products as it had no intention to trade in those goods on its own evidence. It was not therefore, submitted Opponent's Counsel, an interested party as envisaged by section 27(1) of the Trade Marks Act.

It was submitted that the Opponent's trade marks were registered in relation to goods to which it may very well expand and that such expansion would make commercial sense. In the result, it was submitted that the Tribunal should exercise

its discretion in favour of the Opponent and that the counter application for partial expungement should be dismissed. The registration of the trade mark according to the Opponent's Counsel, in terms of section 34(1) (b) of the Act granted protection to the registered proprietor in relation to goods which were so similar to the goods in respect of which the trade mark was registered, that in such a case there exists the likelihood of deception or confusion. It was contended that this fact indicated that partial expungement of goods which were similar to the goods in relation to which a trade mark was registered, based on alleged non-use, served no purpose.

The Opponent's Counsel submitted that, in view of the above argument, the application for partial expungement should be dismissed.

It was clear, without doubt, that the Applicant's contention was sustainable in that the Opponent had not used its trade marks in respect of any goods beyond biscuits, confectionery and bread. It had certainly not used its marks in relation to those goods to which the partial expungement application related. The Opponent had further failed to discharge the onus on it to prove use of its marks in relation to those goods to which the partial expungement application related.

The Applicant further successfully argued that the Opponent had not shown compelling circumstances which required the Registrar to allow it to retain its trade marks in relation to goods in respect of which it had not used its marks, and it had

stated no intention to use its marks. The application for expungement stood to be granted, argued the Applicant.

THE MAIN OPPOSITION MATTER

The Opponent, in its founding papers, opposed the Applicant's application in terms of sections 10(12), 10(14) and 10(17) of the Act.

In relation to the section 10(12) opposition, the Opponent submitted that, by virtue of the Opponent's reputation and goodwill in the BAKERS and BAKERS and BAKERMAN device trade marks, the Applicant's use of the trade mark BAKER'S BONUS and BAKERMAN device in relation to the goods covered by its application would give rise to confusion or deception. The average member of the purchasing public would be likely to assume that a connection or association existed between the products of the Applicant and those of the Opponent. The Opponent had not consented to the registration of the Applicant's trade mark. It was in this premise that the Opponent averred the Applicant's trade mark was not registrable.

Regarding the section 10(14) opposition, it was the Opponent's submission that the Applicant's trade mark BAKER'S BONUS and BAKERMAN device wholly incorporated the Opponent's BAKERS trade mark and the dominant and distinctive features of the Opponent's BAKERS and BAKERMAN device trade mark. The use of

the Applicant's trade mark in relation to the goods in respect of which the mark was sought to be registered, which goods were the same as and/or similar to the goods in respect of which the Opponent's trade marks were registered, would be to deceive or cause confusion. It was again on this premise that the Opponent alleged that the Applicant's mark offended the provisions of section 10(14), and was therefore not registrable.

With regard to the section 10(17) opposition, the Opponent's submission was that the dominant and distinctive parts of the trade mark applied for by the Applicant were identical to the Opponent's BAKERS and BAKERS and BAKERMAN device trade marks, which trade marks were well-known in the Republic. Alternatively, the BAKER'S BONUS and BAKERMAN device trade mark was so similar to those well-known trade marks that the use of the Applicant's mark was likely to take unfair advantage of, or be detrimental to, the distinctive character or repute of the Opponent's BAKERS and BAKERS and BAKERMAN device trade marks.

In asserting its rights, the Opponent stated in its founding papers that it had obtained several registrations for its BAKERS and BAKERS and BAKERMAN device trade marks. It was the registered proprietor, in South Africa, of numerous trade mark registrations listed in paragraph 10 on pages 8 – 12 of the founding papers, all of which were valid and in force. In support hereof, certified copies of the registration certificates were annexed as Annexures **CS2 – CS13**. The Opponent was the proprietor in South Africa of over 40 registrations for trade marks incorporating the

word BAKERS. A schedule listing these trade marks was attached as Annexure **CS14** to the court papers.

In support of its alleged substantial growth in the reputation and goodwill in the BAKERS and BAKERS and BAKERMAN device trade marks, the Opponent listed turnover sales and marketing figures on pages 15 to 23 of its founding papers.

When comparing the two competing trade marks, the Opponent stated in its founding papers that the visual, phonetic and conceptual similarities between the Applicant's trade mark and the BAKERS and BAKERS and BAKERMAN device trade marks of the Opponent were inescapable. This, according to the Opponent, was illustrated by the following factors:

- the trade mark applied for by the Applicant wholly incorporated the Opponent's BAKERS trade mark,
- the parties respective marks both had the word BAKERS/BAKER'S in the dominant first position,
- if advertised over the radio or dealt with telephonically, both trade marks and/or products would be referred to as BAKERS products. The Applicant's and Opponent's trade marks had analogous semantic content,
- both BAKERMAN devices incorporated a BAKERMAN, facing left and with a left hand holding a bakery product, and

- the Applicant's BAKER'S BONUS and BAKERMAN device trade mark was conceptually identical to the Opponent's BAKERS and BAKERS and BAKERMAN device trade mark.

There was, according to the Opponent, also a clear overlap between the goods in respect of which the Applicant sought to register its trade mark and the goods and/or services covered by the Opponent's registrations. As a result, the Applicant's trade mark application no. 2002/03861 BAKER'S BONUS and BAKERMAN device was said to offend the provisions of sections 10(12) and 10(14) of the Act, and should not be allowed to proceed to registration.

In its heads of argument the Applicant submitted that the Tribunal had to consider whether or not the subject trade mark application was confusingly or deceptively similar to the Opponent's marks.

The possibility of confusion or deception amongst purchasers or potential purchasers of the relevant goods, or users of the relevant services, must be determined. The purchaser or user, is the ordinary person, one who is neither very careful nor careless and ignorant (**Searles Industries (Pty) Ltd v International Power Marketing (Pty) Ltd 1984 (4) SA 123 (T) at 127 A-B**).

It has been held that the likelihood of confusion must be appreciated globally. Our courts had adopted the approach of the European Court of Justice in **Sabel BV v Puma AG Rudolf Dassler Sport (1998) RPC 199 (ECJ) at 224** where it held that

“the global appreciation of the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components.” (**Bata Ltd v Face Fashions CC 2001 (1) SA 844 (SCA) at 850F**).

In **Reckitt and Colman SA (Pty) v SC Johnson & Son SA (Pty) Ltd 1993 (2)SA 370A at 316**, in dealing with the question of passing off between the trade marks BRASSO & device and BRILLO device used in relation to metal polishes, it was said:

“The problem in this case is, however, that it is not possible to classify the consumers of these products because are purchased by members of all sectors of the population irrespective of race, or level of literacy or sophistication. The notional consumer is therefore illusive as the reasonable man and it is unlikely that he will be found on any suburban bus. The fact of the matter remains that at least some members of the purchasing public are illiterate and that fact cannot be ignored. But, as was pointed out by counsel for the respondent, the fact that a person is illiterate does not mean that he lacks cognitive powers. It may be that the typical illiterate purchaser is a more careful purchaser because he has adapted to his social disability and

cannot afford to err. In Greenblatt case at 376A-B, it was also said that the ordinary illiterate buyer must be taken to be a person who at least knows that articles have different names and that when he wants an article with a particular name he should ask for it by that name with such clearness of diction that he can command to prevent him purchasing the incorrect article. The problem unfortunately is that under present-day conditions, these articles are normally purchased in a supermarket where there is little occasion for a purchaser to request the product he wishes to purchase. The buyer, unassisted, must make his own choice. But assuming that the illiterate would have regard to pictures on labels, he would probably have regard to the sunray device on the one hand, and on the other, the shooting star device in order to assist him in distinguishing the two products.”

Parker J in the Pianotist laid down the following rules applicable to the comparison of two words:

“You must take the two words. You must judge them both by their look and their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact you must consider all the surrounding circumstances, and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks (Pianotist Co Ltd’s Appn (1906) 23 RPC 774).

The Applicant submitted that it was the general impression left by the marks on the minds of the consumer that should be taken into account. In **Actiebolaget Hjorth & Co v Actiebolaget Optimus 1932 TPD 177 at 186** De Wet J was reported to have said:

“the court will look at the total effect and will refuse registration where the total effect of the word too nearly resembles the word already registered.”

The question was not whether there were differences but whether the general appearance was such that a person looking casually at the marks would be likely to be deceived (**Lennon Ltd v Sachs 1906 TS 331 at 335**).

Counsel for the Applicant submitted in its heads of argument that the general impression conveyed would obviously correlate with the dominant feature of the mark. The learned authors **Webster & Page South African Law of Trade Marks, 4th Edition (“Webster & Page”)** at para 7.10 at page 7-11 state:

“It is important to bear in mind that greater significance is likely to be attached by certain less-educated persons to a pictorial representation than to words or names – so that even where marks containing a common pictorial device are differentiated by the use of different words or names confusion may still result.”

When comparing the subject trade mark with that of the Opponent, Counsel for the Applicant submitted in her heads of argument, that it was clear that the only common element between the marks was the word BAKERS. The Opponent could not escape the fact that BAKERS had an ordinary dictionary meaning which was widely used in the industry. It was descriptive of the goods in class 30. The Opponent could not monopolise the use of the ordinary English word for goods which fall in class 30, specifically those goods baked by bakers, or which were used by bakers to bake goods.

The Applicant said that this was supported by the fact that the Opponent's trade mark registration no. 1963/03051 contained a disclaimer in respect of the word BAKERS. A similar disclaimer was entered in respect of the Applicant's trade mark application.

The Opponent's case was, according to the Applicant, baseless since there were several trade mark registrations and applications on the register which incorporated the word BAKERS. Submissions were further made that there were also several companies and close corporations, the names of which included BAKER, where the word was clearly used in the context of the preparation of food. The following examples were given A-V Confectionary and Baker CC, Baker Boys Bakery CC, Baker Man CC, Baker Street Snacks (Pty) Limited.

The Applicant further relied on a passage from Webster & Page at par 7.11 with the heading **Marks containing a common element** which state:

“Where marks contain a common element, which is in common use in the market in the goods concerned, the public are likely to pay more attention to the other features and to distinguish the goods by those features. It is not, however, sufficient that the common element should occur in marks upon the Register, there must be evidence that the common element is in fact in use.

Where, however, there is a multiplicity of registrations these may be given weight in deciding whether a mark contains matter common to the trade, without actual proof of use. Where a descriptive element is common to two marks being compared, the test as to the likelihood of confusion or deception is unaffected, the marks being compared as wholes.”

The Applicant submitted that these were the factors which the Tribunal should take into account when comparing the two marks, as it was trite that a consumer who was aware that there were a number of products available the name of which incorporated BAKER, or who knew the true dictionary meaning of BAKER, would seek some other way of distinguishing between marks.

The consumer would, according to the Applicant, find that means to distinguish the Applicant's trade mark in two aspects, first, that the mark actually being used by the Applicant was BAKER'S BONUS, and not BAKERS, and secondly, the device forming part of the Applicant's mark which was substantially different from the

Opponent's BAKERS device mark. It was the composite mark which the Tribunal should compare to the Opponent's mark.

It was submitted by the Applicant that the difference in device alone was sufficient to distinguish the Applicant's mark from the Opponent's mark. Even when considered aurally, the comparison would be between BAKER'S BONUS and BAKER. The Tribunal should find, taking into account that "BAKER" was an ordinary English word which was descriptive of the goods to which the opposition relates and which was widely used in the relevant sector, that the two marks were not confusingly similar.

In comparing the goods of the two trade marks, Applicant's Counsel stated in her heads of argument that the subject trade mark application related only to raw ingredients which might ultimately be used in baking. As stated above by the Applicant, the Opponent was only entitled to retain its trade mark registrations in respect of biscuits and confectionary, being the prepared goods. The parties clearly operated in completely distinct markets. Those markets were so distinct, that no confusion was likely to result from the use by the Applicant of its BAKER'S BONUS and device trade mark in relation to those goods to which the subject application related.

In **Danco Clothing (Pty) Ltd v Nu-care Marketing Sales and Promotions (Pty) Ltd 1991 SA (4) 850 (A) 860-861**, and in determining that the likelihood of deception

or confusion amongst a substantial number of persons had been established on probabilities, the Court took the following factors into account:

- the nature (and composition) of the goods (or the nature of the services);
- the respective use (or functions of the services); and
- the trade channels through which the goods can notionally be retailed (or the services offered).

In addition, in determining whether there was a similarity between the goods or services the following were held to be relevant:

the respective uses of the respective goods or services,

- the respective users of the respective goods or services;
- the physical nature of the goods or acts of service;
- the respective trade channels through which the goods or services reach the market;
- in the case of self-service consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are; or are likely to be, found on the same or different shelves; and
- the extent to which goods or services are competitive. This enquiry may take into account how those in trade classify goods, for instance which market research companies, who of course act for the industry, put the goods or service in the same sector or different sectors **(British Sugar plc v James Robertson & Sons Ltd (1946) RPC 281 at 296 – 297).**

Applicant's Counsel submitted that it was through the application all of these principles that the Court had concluded that the defendant's sweet spread was not similar to the dessert sauces and syrups covered by the plaintiff's registration.

Counsel for the Applicant stated in her heads of argument that, when one considered the respective markets of the Applicant and the Opponent, it was clear they were vastly different:

- the one product was aimed at those interested in preparing baked goods themselves, and the other at those who were interested in preparing ready products.

A person who was looking for yeast to break bread, was certainly not going to, mistakenly, buy ready baked bread,

- the respective goods were not manufactured or distributed by the same entities;

- nothing turned on the fact that the same consumer might, on one day, look to buy yeast, and the next to buy biscuits; and

- the products were not shelved or marketed together.

The fact that certain goods may fall within the same class was not evidence that they were of the same description. The use of the mark registered for flour on a loaf of bread was not use of the mark in relation to flour (since flour, as such, was no longer present in the loaf of bread) **(Kerly's Law of Trademarks 12ed paragraph 5 – 05)**.

In applying the above principles, Counsel for the Applicant submitted that, it was clear that the Applicant's raw goods were not similar to the Opponent's prepared biscuits and confectionary. No confusion was likely from the use by the Applicant of its trade mark in relation to the goods to which the subject trade mark related.

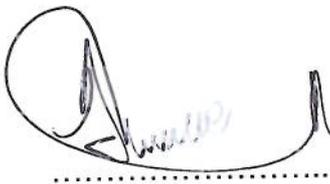
Having read the papers filed of record, and listened to the submissions made by both parties, I found that the conflicting goods were not similar and excluded the likelihood of confusion or deception. The goods protected by the Opponent's registered trade marks were end products. The evidence filed by the Opponent's pointed mostly to end products, particularly to biscuits. For the average consumer, there was no *nexus* between the Opponent's and the Applicant's goods.

Having also considered the two competing trade marks, I found that the mark which was sought to be registered could not deceive nor confuse consumers. I could not further find the parties to be involved in the same business activity. The Applicant successfully convinced the Tribunal that there would be no likelihood of confusion or deception in the ordinary course of business.

In the result it was ordered that:

1. The application for partial expungement succeeded.

2. All the goods in the Opponent's registrations be deleted except for "*biscuits, confectionery, crisp breads and related goods.*".
3. The opposition to trade mark application no. 2002/03861 BAKER'S BONUS and BAKERMAN Device in class 30 was dismissed.
4. Trade mark application no. 2002,03861 was to proceed to registration.
5. Costs in the partial expungement matter were awarded in favour of the Applicant.
6. Costs in the opposition matter were awarded in favour of the Applicant.



A handwritten signature in black ink, appearing to read 'Abey Tuwe', is written over a horizontal dotted line.

Abey Tuwe (Mr)

Deputy Registrar of Trade Marks

15 November 2011