

**IN THE TRIBUNAL OF THE REGISTRAR OF TRADE MARKS
TRADE MARKS ACT, NO. 194 OF 1993**

In the matter between:

PROMAC PAINTS (PTY) LIMITED

Applicant

and

PLASCON (PTY) LIMITED

Opponent

JUDGMENT

Promac Paints (Pty) Limited, a South African company, is the applicant for the registration of trade mark application no. 2000/06748 PRO-VELVET in Class 2. The subject trade mark application relates to the following goods:

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

The Opponent is Plascon (Pty) Limited, a South African company of 10 Frederick Cooper Drive, Factoria, Krugersdorp. The Opponent subsequently changed its name to Barloworld Plascon South Africa (Pty) Limited. The Opponent is the registered proprietor of trade mark registration number

73/0732 DOUBLE-VELVET in class 2 in respect of: "*Paints, varnishes, lacquers, preservatives against rust and against deterioration of wood, colouring matters, dyestuffs, mordants, natural resins, metals in foil and powder form for painters and decorants*".

The opposition to the registration of the applicant's mark is based on the provisions of sections 10(12) and 10(14) of the Trade Marks Act 1994 of 1993 ("the Act"). The relevant provision of the Act provides as follows:

10. Unregistrable trade marks

The following marks shall not be registered as trade marks or, if registered, shall, subject to the provisions of section 3 and 70, be liable to be removed from the register

(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 bonos mores, be likely to give offence to any class of persons,

(14) Subject to the provisions 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 the 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 which 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.

There's no dispute that the goods in respect of which the trade mark

application is sought to be registered are the same to those covered by the Opponent's trade mark registration.

In essence, the enquiry is whether the mark sought to be registered is identical or similar to a registered trade mark belonging to a different proprietor also similar thereto that the use of that trade mark in relation to the goods or services for which it is sought to be registered, is likely to deceive or cause confusion.

The two competing marks in this matter is the Opponent's DOUBLE-VELVET and the Applicant's PRO-VELVET mark. It is common cause that the Opponent's objection to the registration of the Applicant's trade mark is directed solely at the incorporation of the word "VELVET" as part of the Applicant's mark.

The Opponent's registered trade mark DOUBLE-VELVET is registered subject to an admission that registration of the trade mark will not debar others from the bona fide descriptive use, in the ordinary course of trade, of the words "DOUBLE" and "VELVET". Counsel for the Applicant made a submission that it is common cause that the Opponent has filed a number of trade marks incorporating the word VELVET. The marks in question are trade mark registration no. 1980/00206 VELVET VINYL with an endorsement that registration of this trade mark shall give no right to the exclusive use of the words "VELVET" and "VINYL" each separately and apart from the mark. The other mark is trade mark registration no. 1985/04958 SOLID VELVET endorsed with the disclaimer that registration of this trade mark shall give no right to the exclusive use of the word "VELVET" separately and apart from the

mark.

There are other marks filed by third parties incorporating the word VELVET as per annexure SKR 5 at page 107 to 110 of the record. The particulars of these marks are as follows , trade mark application no. 1999/12266 VELVET TOUCH with an admission that registration of the trade mark shall not debar others from the bona fide descriptive use , in the ordinary course of trade , of the words VELVET and TOUCH advertised on the 31 July 2002 , trade mark application no. 2000/11671 PURE VELVET still pending and PRO-VELVET which is the mark in dispute in this matter.

In essence, the applicant's reference to these other marks is that the Opponent cannot be given a monopoly or exclusive rights in the word VELVET. The applicant accepts the onus of proving that its application for registration should be granted.

The Opponent counters by submitting that, since at least 1973, it has made extensive use of its DOUBLE VELVET trade mark in South Africa. Over the period 1990 – 1998 over 15 million litres of Plascon Double Velvet paints were sold at wholesale value of over R200 million which is the subject of an enormous reputation vesting in the Opponent. A further submission by the Opponent is that it has spent more than R14 billion on advertising during the same period.

The Applicant disputes these submissions in that the Opponent fails to indicate what market share such sales represent or even given a comparison how these sales compare to other products in its range of paints. The

Applicant further contends that the Opponent fails to indicate what proportion of the advertising was spent on the promotion of Plascon's DOUBLE VELVET product. Clearly, according to the Applicant the advertising was not spent on DOUBLE VELVET alone. The Applicant further states that R14 billion could not have been spent in advertising to achieve sales of 15 million of litres of paint with a wholesale value of R200 million. Therefore, the applicant submits that the evidence relating to the advertising is so vague that it is meaningless, irrelevant and should be ignored. The Applicant further states that with regard to advertising the Opponent's mark is always used together with the registered trade mark PLASCON on packaging and advertising as shown in annexures D.1 to D.5 .

The applicant further contents that use of the mark DOUBLE VELVET give rise to rights in the composite, not in relation to individual elements. The Opponent's contention that it enjoys exclusive rights in the word VELVET in its own right cannot be sustained. No evidence has been placed before this tribunal which shows that the Opponent has used VELVET separately and apart from DOUBLE VELVET. In addition the prior mark of the opponent as referred to above have an admission or disclaimer endorsement of the word VELVET. The effect of these endorsements is to prevent an undue limitation on the rights of other traders in the paint industry to use the word VELVET and further ensure the word which is reasonably required for use in the trade as other traders is not monopolised by one individual.

Even the five affidavits on pages 162 –176 of the records the Opponent relies on clearly states that the mark DOUBLE VELVET is associated with the Opponent and none of them says VELVET stand alone and/or associated with

the Opponent. Even the R14 million that have been spent on advertising doesn't tally with samples of advertising as per annexure's D1 – D5. One would have expected more advertising material in support of the amount spent on advertising. With due respect, the evidence furnished is not sufficient to sustain the Opponent's claim that the word VELVET on its own has indeed become associated with the Opponent in the minds of a substantial number of consumers.

The issue therefore is whether the degree of similarity between the two trade marks is such that it will give rise to the likelihood of consumer deception or confusion. In other words, is there a reasonable probability that the average consumers will purchase the Applicant's goods on the assumption that they are buying the Opponent's product (*Smithkline Beecham Consumer Brands (Pty) Ltd v Unilever PLC 1995 (2) SA 903 (A) 909-10*). The notional consumer is a person of average intelligence, having proper eyesight and buying with ordinary caution. The marks must be viewed as they would be encountered in the market place and against the background of surrounding circumstances. The marks must be considered both side by side and separately, bearing in mind and allowing for the consumer's imperfect recollection and impression of the registered mark. Significant or striking features of the respective marks are also to be considered (*Plascon-Evans Paints Ltd v Van Riebeeck Paints (Pty) Ltd 1984 (3) SA 623 (A) at 641*). In *Cowbell AG v ICS Holdings Ltd 2001 (3) SA 941 (SCA) at 947 – 948* the court explained that this decision involves a value judgement and that the ultimate test is whether, on a comparison of the two marks, it can properly be said

that there is a reasonable likelihood of confusion if both are to be used together in a normal and fair manner , in the ordinary course of business.

Mr Mariot, on behalf of the Applicant, submitted that there is no likelihood of deception or confusion between the two marks when one considers the two marks as composite marks and that they are entirely different. DOUBLE VELVET is plainly not phonetically, visually or conceptually similar to PRO-VELVET. Mr Mariot relied on the judgement in *Bata Ltd v Face Fashion CC and Another 2001 (1) SA 844 (SCA)*. The competing marks in this case were POWER and POWER HOUSE. The common element in both marks is the word POWER.

The court held that the use of both marks would not lead to confusion and that the Opponent cannot have a virtual monopoly to use the word POWER on clothing. Evidence was led in the case that there were numerous registered marks incorporating the word POWER and it cannot follow that confusion would arise if used in combination with other words.

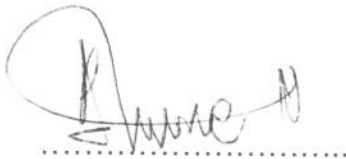
In view of the above *dictum*, counsel for the Applicant indicated that in this instance, the Opponent has no rights in the mark VELVET. It only enjoys rights in the composite mark DOUBLE VELVET . Therefore, the comparison must be made between DOUBLE VELVET and PRO-VELVET and not as Opponent will have it, between VELVET and PRO-VELVET. I am inclined to agree with Mr Mariot submission. It should also be taken into account that the two marks co-existed for a period of seven years and nothing was put forth that at some stage there was actual confusion. It cannot therefore, be said that consumers would be uncertain whether or not there is

a connection between the Applicant's mark and the Opponent's. It may not lead to consumers concluding that this is just another of the Opponent's trade mark and that the goods emanate from the same stable.

In view of the above illustration, in my view the existence of the two marks would not lead to confusion as to the origin of the goods. I am persuaded that no reasonable likelihood of confusion or deception would be caused to a substantial number of persons where two marks are to be used together in a normal and fair manner in the ordinary course of business.

In view of the above, the following judgement is made:

- (i) the opposition is dismissed with costs
- (ii) application no. 2000/06748 PRO-VELVET in class 2 should proceed to registration.



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DEPUTY REGISTRAR TRADE MARKS

10 MARCH 2009