



Companies and Intellectual  
Property Commission

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**IN THE TRIBUNAL OF THE REGISTRAR OF TRADE MARKS**

**TRADE MARKS ACT 194 OF 1993**

**SKINS CAPITAL (PTY) LIMITED**

Applicant

And

**BURGALL INVESTMENTS (PTY) LIMITED**

First Opponent

**SECOND SKINS (PTY) LIMITED**

Second Opponent

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**JUDGMENT**

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The Applicant was initially Skins Compression Garments (Pty) Ltd, an Australian company. Subsequent to the acceptance of the subject trade mark applications, Skins Capital (Pty) Ltd was substituted as the applicant in respect of the following trade mark applications:

- 2006/18226 S SKINS logo in class 10 in respect of:  
*“Surgical, medical and garments, compression garments, therapeutic compression garments, stockings, elastic supports, including elastic support for stabilizing injured areas of the body, all being goods in class 10”*,
- 2006/18227 S SKINS logo in class 25 respect of:  
*“Clothing, footwear, headgear, including clothing for men, women, children and babies, clothing for sports including football, gymnastics, cycling, golf and skiing, clothing for motorists and travelers, underwear including compression underwear, outerwear, overcoats, leisure clothing, jackets, jumpers, pullovers, sports jerseys, vests, shirts, t-shirts, pants, trousers, shorts, pajamas, dressing gowns, bath robes, swimwear including bathing trunks and bathing suits, thermal clothing, wetsuits, waterproof clothing, wrist bands, shoes and boots, socks, stockings, tights, bandannas and headbands”*.

The First Opponent is Burgall Investments (Pty) Ltd (hereinafter referred to as “the Opponent”), a private company duly incorporated under the Companies Act, Act No. 61 of 1973, and having its registered address at 4<sup>th</sup> Floor, Wales Street Chambers, 38 Wale Street, Cape Town.

The First Opponent is the proprietor of the following registered trade mark in South Africa:

- 1997/08500 SECOND SKINS in class 25 in respect of:  
*“Clothing, footwear, headgear”.*

This registration was endorsed with the disclaimer that *“Registration of this trade mark shall give no right to the exclusive use of the word “SECOND” or the word “SKIN”, each separately and apart from the mark”.*

The Second Opponent is Second Skins (Pty) Ltd (hereinafter referred to as “Second Skins”), a South African company and the permitted user of the First Opponent with respect to its SECOND SKINS trade mark. The Second Opponent was cited in so far as it had an interest in the outcome of the opposition to the subject trade mark applications.

The Opponent’s opposition relied on its registered and common law rights in the trade mark SECOND SKINS. The Opponent contended that the opposed trade mark S SKINS logo was confusingly similar to its trade mark SECOND SKINS.

The statutory grounds relied upon in this opposition were Sections 10(12), 10(14) and 10(17) of the Trade Marks Act, Act 193 Of 1994 (hereinafter referred to as “the Act”).

Section 10 of the Act states that:

*“The following trade 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:*

10(12)

*“a mark which is inherently deceptive or the use of which is likely to deceive or cause confusion, or be contrary to law, be contra bonos mores, or be likely to give offence to any particular class of persons”,*

10(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 so 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 mark consents to the registration of such mark”, and*

10(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 trade mark, notwithstanding the absence of*

*deception or confusion, unless the proprietor of such mark consents to the registration”.*

Counsel for the Opponent submitted that before dealing with the individual grounds of opposition, the Tribunal should be aware that actual confusion had already occurred between the parties' respective marks.

In this regard the Tribunal was referred to the affidavit of Mr. Huisaman. It was submitted by Counsel for the Opponent in her heads of argument that Mr. Huisaman was the owner and managing member of a supplier and retailer of sportswear, including school sportswear, to the public. He was well acquainted with the Opponent's goods sold under its trade mark SECOND SKINS.

It was submitted that he had seen an advertisement for the Applicant's goods in a programme distributed at a rugby match at Loftus Stadium. Assuming that the trade mark S SKINS on the programme was an abbreviation for the Opponent's mark SECOND SKINS, Mr. Huisaman sought to acquire the items so advertised from the Opponent. It was only when the SECOND SKINS products from the Opponent were delivered to him that he realized that the goods advertised in the programme were not those of the Opponent.

It was in view of the above, submitted Counsel for the Opponent, that evidence of actual confusion could be of special value.

In Neutrogena Corporation v Golden Limited (1996) RPC 473 at 402, lines 17 – 32,

it was stated by Jacob J that:

*“The Judge must consider the evidence produced and use his common sense and his own opinion as to the likelihood of deception. It is an overall jury assessment. Ultimately the question is one for the Court, not for the witness. It follows that if the Judge’s own opinion is that the case is marginal, one where he cannot be sure whether there is a likelihood of sufficient deception, the case will fall in the absence of enough evidence of the likelihood of deception. But if that opinion of the Judge is supplemented by such evidence then it will succeed. And even if one’s own opinion is that deception is unlikely though possible, convincing evidence of deception will carry the day. The Jif Lemon case is a recent example where overwhelming evidence of deception had that effect. It was certainly my experience in practice that my own view as to the likelihood of deception was not always reliable. As I grew more experienced I said more and more ‘it depends on the evidence’ “.*

Counsel for the Opponent submitted in her heads of argument that in the present matter, the deception arose with Mr. Huisaman from the very first time he saw the Applicant’s mark advertised. His evidence was ample testimony as to what would happen in practice.

In as far as common law rights were concerned, the Opponent claimed it had a substantial reputation and goodwill in its SECOND SKINS trade mark in South Africa in

respect of, amongst others, sportswear, wholesale and supply services, the sponsoring of sporting events, and the teams competing in such events. It had been using its trade mark in South Africa for 24 years at the time the opposition was instituted. The use was alleged to have been on a wide range of sports clothing, including sportswear used in swimming, running, cycling, wrestling, rugby, cricket and surfing.

It was further submitted on behalf of the Opponent that Second Skins as a permitted user of the SECOND SKINS trade mark had advertised and promoted the Opponent's SECOND SKINS products at the cost of approximately R500,000.00. The advertisement took place through the Internet, publicity, print advertisement, the distribution of promotional brochures and catalogues and the distribution of press packs to magazines and journalists.

Counsel for the Opponent submitted that the letter "S" appeared prominently in the logo of the above-mentioned advertorial matter.

The Opponent's reputation was based on the alleged sponsoring of various sporting events, sports teams and athletics in South Africa, including the Ocean Racing series in Port Elizabeth.

In view of the above submissions it was contended that the Tribunal was entitled to infer the existence of such repute, taking into account the extent of sales and advertising, and the length of time that the Opponent had used the mark.

It is common cause in opposition proceedings that the onus rests upon the Applicant for registration to satisfy the Tribunal that there was no reasonable probability of confusion or deception and that its trade mark otherwise qualified for registration. If the Applicant was not able to discharge this onus, the subject trade mark application should be refused registration (Webster & Page: South African Law of Trade Marks para 8.41).

Counsel for the Opponent submitted in her heads of arguments that the Tribunal therefore had to decide whether there was a likelihood of confusion between use of the Applicant's mark, in view of the Opponent's trade mark, which had been registered in relation to the same goods as those in respect of which the Applicant sought registration. In the absence of such likelihood of deception or confusion, the opposition should fail.

Regarding the statutory ground of opposition it was common cause that the Section 10(14) enquiry was, in essence, whether the mark sought to be registered was identical or similar to a registered trade mark belonging to a different proprietor, or so similar thereto that the trade mark in relation to the goods for which it was sought to be registered, was likely to deceive or cause confusion. The Section 10(14) opposition therefore required a comparison in two parts, namely:

- Firstly, a comparison of the Opponent's SECOND SKINS trade mark and the Applicant's S SKINS logo, and



- Secondly, a comparison of the goods to which the respective marks relate as it appeared on the Register.

In this regard the Tribunal was referred to the decision in **Khan's Chemical Industry CC v Unilever plc 2004 BIP 107 (RTM) at 109C-F** where it was held as follows:

*"The dispute between the parties is whether the applicant's mark is so similar to the opponent's mark, that the use thereof in relation to the goods in respect of which it is sought to be registered and which are the same as or so similar to the goods in respect of which such trade mark is registered, would be likely to deceive or cause confusion. The wording of this subsection does not require any party to prove extensive use. The manner or extent of use of marks by the respective parties would only be relevant should it have a bearing on the finding as to whether or not there is a likelihood of deception or confusion as to the origin of the goods. In one case it may carry much weight but may be wholly irrelevant or of very slight significance in another. The premise is that each party uses its mark in a normal and fair manner. Whether or not the contesting marks could likely deceive or cause confusion is a matter of fact to be decided on the facts of each particular case. It is common cause that the applicant bears the onus of proof to satisfy this tribunal that there is no reasonable probability of deception or confusion and that the mark is therefore registrable".*

Counsel for the Opponent further cited **Cowbell AG v ICS Holdings Limited 2001 (3) SA 941 SCA at 947H – 948D**, where the Supreme Court of Appeal described the test as follows:

*“Section 17(1) creates an absolute bar to registration provided the jurisdictional fact is present, namely that the use of both marks in relation to goods or services in respect of which they are sought to be registered, and registered, would be likely to deceive or cause confusion. The decision involves a value judgment and the ultimate test is, after all, as I have already indicated, 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.”*

The Opponent’s Counsel stated that the above *dictum* had been applied in cases concerning the comparison of marks under the Act. Further reference was made in paragraph 8.6 to the *Plascon-Evens* case dealing with a summary of the salient guidelines on the comparison of trade marks. These guidelines were referred to quite often and as such the Opponent’s Counsel opined that it would not be necessary to repeat them.

Counsel for the Opponent also submitted that confusion existed when there was a probability that a substantial number of persons would be deceived into thinking that the Applicant’s product was that of the Opponent, or that there was a material connection between the Applicant’s product and that of the Opponent as a producer and marketer of the products in issue. Even if the confusion was cleared up, once it existed, that was sufficient and the opposition should succeed.

In considering the Section 10(14) ground of opposition, it was submitted that the Tribunal could take into account the notional use of how the Opponent used its trade mark. Such notional use would extend to all the goods covered by the Opponent's trade mark registration, irrespective of the specific goods in respect of which actual use had been made of the registered trade mark. It was argued to be any normal and fair use which a party could make of its trade mark. It included not only the range of goods in respect of which use would take place or a field of actual purchases, but also the fact that the trade mark might be used in association with descriptive matter, including various logos.

Counsel for the Opponent submitted that in this matter, the Tribunal should have regard to use of the trade mark SECOND SKINS, with compression characteristics, in relation to clothing.

In as far as the comparison of marks was concerned, the Opponent contended that the Applicant's trade mark S SKINS logo was confusing and the set-off was similar to the Opponent's trade mark SECOND SKINS both conceptually, visually and phonetically. What had to be determined was the possibility of confusion or deception amongst the purchasers or potential purchasers of the relevant goods. Counsel for the Opponent submitted such a purchaser, or user, was the ordinary person, one who was neither very careful, nor very careless or ignorant.

The likelihood of confusion must be appreciated globally. The global appreciation of visual, aural or conceptual similarity in the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive character and dominant components *(Sabel BV v Puma AG, Rudolf Dassler Sport [1998] RPC 199 (ECJ) at 224)*.

It was contended on behalf of the Opponent that the dominant feature of the Applicant's mark was the word SKINS, which wholly incorporated the Opponent's SECOND SKINS trade mark.

It was further contended that the Tribunal was to have regard to the public tendency to abbreviate marks. It was argued that in the present matter the trade mark S SKINS logo could easily be understood by members of the public to be an abbreviated version of the mark SECOND SKINS. It was said to be especially so where the letter "S" in the logo could be considered to be an abbreviation of the word "SECOND" appearing in the Opponent's mark.

In view of the above, Counsel for the Opponent submitted that the marks were visually, aurally and conceptually confusingly similar.

In as far as the disclaimed feature of the Opponent's mark was concerned Counsel for the Opponent submitted that it remained a principle of trade mark law that trade marks

were to be compared as wholes, including such disclaimed features. The remaining question was therefore, whether overall the trade marks were confusingly similar.

During the hearing Counsel for the Applicant submitted that the Opponent had resorted to a technique of identifying the Applicant's mark as "S-SKINS", thereby enabling the Opponent to conduct a comparison of the marks which equated the stylized logo incorporating the letter S with the first letter of the word "SECOND".

It was submitted on behalf of the Applicant that the Tribunal had been burdened with a great deal of irrelevant information. It was for this reason argued that the evidence listed on page 4 of the heads of arguments of the Opponent from para. 11.1 up to 11.7 should be disregarded in assessing the merits of the opposition.

It was further submitted on behalf of the Applicant that it was impermissible for an "S *Circular logo*" to be regarded as normal and fair use of the registered trade mark. Nor, it was submitted, would a "*SECOND SKINS original circle logo*" be so regarded. No device mark had been registered. The Opponent's mark was simply a word mark. Counsel for the Applicant stated in his heads of argument that while it was permissible to consider normal and fair use of the mark in the context of other material, to change the mark to something unrecognizable from the registered mark was entirely inappropriate.

Regarding the Section 10(12) ground of opposition, Counsel for the Applicant contended that there appeared to be no South African case on what would constitute “*use contrary to law*” for purposes of this section. He submitted that Webster & Page postulated use that would infringe copyright or various statutory enactments regulating or prohibiting the use of trade marks. He said further that, in order to establish passing-off, the Opponent had to establish the likelihood of deception or confusion that was required in terms of Section 10(14) of the Act.

It was submitted by Counsel for the Applicant that this enquiry was co-extensive with the one in relation to Section 10(14), and could not be dealt with any differently.

Regarding the disclaimer endorsement of the words “SECOND” and “SKIN” respectively, Counsel for the Applicant argued that the Opponent was driven to draw whatever distinction it could between the singular word “SKIN”, and the plural word “SKINS”. He submitted that this was a difference without any difference at all. If the word “SKIN” was disclaimed in the manner set out in the endorsement, it could hardly be suggested that its plural was not disclaimed.

The Opponent’s contention that the Applicant’s trade mark would be perceived and pronounced “S SKINS” was deemed to be illogical according to Counsel for the Applicant. He submitted that by simply looking at the mark sought to be registered, it showed that the only word that appeared in the trade mark was the word “SKINS”. The

Applicant was said to have further shown that there were a number of marks incorporating the word "SKIN" on the Register.

Counsel for the Applicant contended that in truth, therefore, the relevant comparison was one between the Opponent's "SECOND SKINS" trade mark, in a fair and normal manner, and the Applicant's trade mark consisting of a stylized S in a circle together with the word "SKINS".

Considering notional use by the Opponent of its trade mark in respect of any or all of the goods or services covered by the registration of its trade mark, the question was whether the Tribunal was satisfied that the use by the Applicant, in a normal and fair manner of its trade mark in respect of any of the goods or services covered by its applications would not cause confusion or deception amongst a substantial number of persons (*Webster & Page par 6.27*).

Counsel for the Applicant stated that he intended to repeat the often quoted general principles in relation to a comparison of marks in general during his arguments, and in the context of the present case, both the visual and conceptual similarities were relevant.

Counsel for the Applicant submitted in his heads of arguments that in the absence of a finding that there was no likelihood of deception or confusion on the above comparison, it was the end of the matter. In the absence of likelihood of confusion or deception in a

comparison within the identical class, there could be no question of a likelihood of deception or confusion in relation to the class 10 goods.

He further submitted that only if the Tribunal found that such likelihood of confusion or deception existed in relation to the same class of goods, the Tribunal would then envisage notional use in a fair and normal manner in relation to goods for which the Applicant's mark was sought to be registered, namely:

*“Surgical, medical and garments, compression garments, therapeutic compression garments, stockings, elastic supports, including support for stabilizing injured areas of the body, all being goods in class 10”.*

Counsel for the Applicant submitted that in that regard, it was likely that while there might be an overlap in the respective goods, the uses to which such goods would be put would differ substantially. Although it was possible to envisage similar trade channels in respect of some of the goods covered by the respective specifications, it was likely that the trade channels through which the goods reached the market were unlikely to contribute to any confusion or deception. Although the goods sold under the Opponent's trade mark might be sold as self service consumer items that would be less likely in the case of goods covered by the Applicant's class 10 mark.

In his heads of argument, Counsel for the Applicant submitted that it was difficult to imagine the goods covered by the Applicant's mark being competitive with those described in the Opponent's specification.



It was submitted that the Applicant had adduced substantial evidence showing the difference between class 10 and class 25 goods for the purpose of this dispute. It was further submitted that in the area of commerce where the descriptive word "SKIN" or "SKINS" was almost ambiguous, there was no reasonable prospect of the ordinary customer of average intelligence confusing SECOND SKINS with SKINS with and S logo.

Regarding the Section 10(17) ground of opposition it was contended on behalf of the Applicant that the evidence adduced by the Opponent in the Founding Affidavit simply failed to establish the Opponent's mark as being well-known. It was further submitted that the Opponent appeared to simply ignore the fact that all the evidence after the filing date of the Applicant's applications was irrelevant to these proceedings. In addition it was submitted that a number of annexures relating to the state of knowledge of the Opponent's mark prior to 8 September 2006 were not helpful.

Counsel for the Applicant submitted that the Opponent had failed to show any consistent use of its trade mark such as would justify the conclusion that it had acquired a particularly valuable reputation in the South African market. It was submitted further that it followed, therefore, that there was no prospect of dilution or tarnishment of the Opponent's mark, as was required by Section 10(17) of the Act.

It was contended that in the circumstances, the opposition should fail, the Applicant's mark should proceed to registration and that the Opponent should be ordered to pay the costs of the opposition jointly and severally, the one paying the other to be absolved.

As far as the comparison of goods was concerned, there was no doubt or dispute in respect of the class 25 specifications, since the Opponent's and Applicant's specifications both covered "*Clothing, footwear and headgear*". In this one regard the respective goods are the same or similar. Regarding the Applicant's goods in class 10, particularly garments, I could not in my opinion agree with the Opponent's submission that irrespective of how the Applicant wished to ascribe specialized qualities to its garments, they remained exactly that, garments, and therefore clothing. Even when one considered the class 10 alphabetical list of goods, none of these goods overlap or conflicts with class 25 goods. The only listed type of good in class 10 is a specialized type of footwear, namely, orthopaedic or orthopedic footwear.

In view of the above paragraph I could not find any overlap or conflict between the Opponent's class 25 goods and the Applicant's class 10 goods.

Regarding the comparison of the marks, it was common cause that the Opponent's mark was a word mark, "SECOND SKINS", and the Applicant's mark was "S-SKINS" and logo or rather CIRCLED-S and SKINS. In my view the Applicant's mark could best be described as a figurative mark comprised of the letter S and the word SKINS.

One could not confidently say the two marks were visually similar, simply because they both incorporated the common element "SKIN", also taking into account that the word had been disclaimed in the Opponent's registration. In addition because of the word "SKIN" being common on the Trade Marks Register, it constitutes a non-distinctive element of the mark which rendered deception or confusion less likely. It must further be taken into account that the protected mark is the word mark SECOND SKINS as opposed to the figurative mark made up of the letter S in a circle and the word SKINS. Even the bulk of the evidence from pages 54 to 357 of the records could not bring the two marks closer so as to render them visually similar.

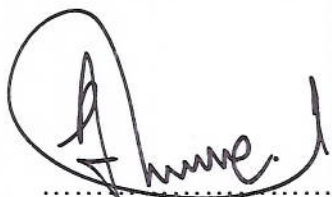
I could further not find the two marks to be aurally similar, as I could not agree with the Opponent's contention that the Applicant's mark was in fact the word SKINS. To agree with that argument, would be to ignore the other portion of the mark i.e. the S in a circle. This would fall foul of the principle that marks should not be compared piecemeal, but in their totality and as a whole.

I also found the submission that the public had a tendency to abbreviate marks, neither persuasive nor convincing. That the letter "S" could be regarded as an abbreviation of the word SECOND was also not convincing. For this argument to carry weight, one had to ponder and think how many words started with the letter "S" and why in this instance the "S" appearing on the Applicant's mark would be seen by consumers as an abbreviation for "SECOND" and not for any other word commencing with the letter "S". In this regard I could therefore also not find the two marks to be aurally similar.

It was my finding at the conclusion of the hearing that the Opponent had failed to persuade the Tribunal that the Applicant's mark did indeed offend the provisions of the Act relied upon by the Opponent in these proceedings.

After having read the papers filed of record and having heard the submissions made on behalf of both parties, the following order was made:-

- (i) that the opposition be dismissed,
- (ii) that trade mark application nos. 2006/18226 and 2006/18227 S SKINS and logo should proceed to registration, and
- (iii) that costs be awarded against the Opponents, including the costs of Counsel.



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Abey Tuwe (Mr)

Deputy Registrar: Trade Marks

10 April 2013