

Why register a trade mark

The value of a trade mark registration is often gravely underestimated, and often only becomes apparent when a dispute arises. Furthermore, it is a common misconception that a registration for a company or close corporation name is sufficient to protect and monopolise the name as a trade mark.

In South Africa the register of companies and close corporations is separate from the register of trade marks and, in fact, when a company / close corporation name is registered, the relevant officials do not refer to the trade marks register to determine whether the name sought to be registered conflicts with an application or registration for an identical or confusingly similar trade mark that may exist on the trade marks register. Similarly, the officials of the trade marks registry do not refer to the companies / close corporations register when examining new trade mark applications.

This non-cohesive approach can, and very often does, result in company or close corporation names being registered which conflict with registrations or applications for existing trade marks. Ideally, the name of a company, close corporation or business should also be registered as a trade mark, as a trade mark registration grants its proprietor a bundle of rights which are far more powerful than those flowing from a company or close corporation name on its own or from an unregistered (common law) trade mark.

Some of the primary benefits of a trade mark registration are, firstly, that it gives the proprietor the exclusive right to use the trade mark. Secondly, a trade mark registration serves as *prima facie* proof of the proprietor's right to the trade mark. This becomes important if a third party makes use of a trade mark that is the same as, or confusingly similar to, the registered trade mark, in relation to the same or similar goods or services as those in respect of which the trade mark is registered, as in such instances the burden of proof will be on the third party to show that it is not infringing the proprietor's registered trade mark rights. On the other hand, in order to restrain the use of an unregistered trade mark by a third party, it is necessary to rely on the common law remedies of unlawful competition or passing-off. In order to be successful in unlawful competition or passing-off proceedings, it is necessary for the applicant to prove that, as a result of the use it has made of the trade mark, it has developed a reputation in the mark, and that the use of the mark complained of is likely to give rise to confusion in the minds of the public, as a result of the existence of the reputation. This reputation is generally fairly difficult to prove, and involves collating and adducing substantial evidence of use. A party's reputation in a common law trade mark can also be limited, for example, geographically, whilst a trade mark registration covers and is enforceable throughout the whole country. From a cost perspective, the cost involved in obtaining registration of a trade mark is far less than that which would generally be involved in attempting to enforce rights in an unregistered trade mark.

Another valuable benefit flowing from a trade mark registration is that a registration may be relied upon by its proprietor to restrain the unauthorised use of not only an identical or confusingly similar trade mark, but also a company name, close corporation name, business name, trading name or domain name. A trade mark registration also constitutes a complete defence to any infringement action brought by the proprietor of an

earlier registered trade mark. As such, it is clear that a trade mark registration grants very strong rights to its proprietor.

It is important to bear in mind that the function of a trade mark is to distinguish the products or services sold or rendered by one party, from the same or similar products or services sold or rendered by competitors. Therefore, in order to fulfil this function and to qualify for registration, a trade mark must be distinctive, in other words it must not consist entirely of elements that are descriptive or generic in relation to the relevant products or services, and must not be factually common or reasonably required for use by other traders in the relevant industry.

In terms of the current South African Trade Marks Act, a trade mark can consist of any sign that is capable of being represented graphically, including a word, name, letter, number, device, signature, shape, pattern, configuration, container for goods, ornamentation, colour or any combination of these signs. It is even conceivable that a sound, smell or taste could qualify for registration as a trade mark, provided that it is able to fulfil the distinguishing function and is capable of being represented graphically and with sufficient accuracy and durability.

It is usually advisable to register a trade mark in ordinary block letters as a first step, as a registration for a mark in ordinary block capitals is deemed to give protection for all fonts and script forms, and therefore gives the broadest possible protection. If, however, the trade mark is used, or is intended to be used, in a distinctive logo form, or with a distinctive colour combination, for example, it is advisable to register the mark in that specific format, in addition to ordinary block letters.

Prior to filing applications for any new trade marks though, it is prudent to first conduct a search of the Trade Marks Register to ensure that there are no prior applications or registrations for identical or confusingly similar marks on the register. The search can be conducted in a matter of a few days and is relatively inexpensive, but should be tasked to a specialist trade mark attorney, as the process of searching the register and analysing the results can be fairly complex.

Lastly, it is important to bear in mind that a trade mark registration is a territorial concept, which means that its validity and enforceability are generally restricted to the territories in which it is registered. Careful consideration should therefore be given to filing applications in all countries in which the trade mark is or will be used.

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