REPUBLIC OF SOUTH AFRICA

IN THE HIGH COURT OF SOUTH AFRICA
GAUTENG DIVISION, PRETORIA

CASE NO.: 45297/2014

(1) REPORTABLE: ~~YES~~ / NO
(2) OF INTEREST TO OTHER JUDGES: ~~YES~~ / NO
(3) REVISED

16/1/2017
DATE SIGNATURE

In the matter between:

ARBITER DI MARCIANO ALFONSO & C.S.N.C. **APPLICANT**

and

ADAMO EXCLUSIVE MENS WEAR CC t/a PAPOUTSI **RESPONDENT**

Heard: **5 February ~~2015~~** 2016
Delivered 25 January 2017

JUDGMENT

A.A.LOUW J

Introduction

[1] This is an application for interdictory relief against the respondent on two bases: in terms of the provisions of section 35 of the Trade Marks Act, 1994 of 1993 (the Act) for an order restraining the respondent from infringing the applicant's alleged well-known trade mark ARBITER, and in addition an order restraining the respondent from passing off its goods as being that of the applicant or being connected in the course of trade with the applicant.

[2] The applicant in addition seeks a costs order against the respondent.

The parties

[3] The applicant is Arbiter Di Marciano Alfonco & C.S.N.C., an Italian company of Via Stadio, 8, Santa Maria A Vico (Caserta) 81028, Italy.

[4] The respondent is Adamo Exclusive Mens Wear CC t/a Papoutsi, a close corporation conducting business at Shop 11, Kine Centre, cnr Commissioner and Kruis Streets, Johannesburg.

[5] The applicant conducts the business of producing, marketing and selling clothing, footwear and headgear in Italy and other countries, including in the Republic of South Africa.

[6] The respondent was until the beginning of 2012 an importer and distributor of the applicant's footwear sold under the applicant's well-known ARBITER trade mark.

The application

[7] As stated above, the bases for the restraining orders sought are two-fold, i.e.

(a) In terms of the provisions of section 35 of the Act; and

(b) a reliance on the applicant's common law rights to prevent the passing off of the respondent's clothing and footwear by the use of a get-up, which includes the trade mark ARBITER, and which is confusingly or deceptively similar to that of the applicant's get-up for its goods, which includes the applicant's ARBITER trade mark.

The principles applicable in terms of section 35 of the Act

[8] The Convention of Paris for the Protection of Industrial Property of 1883, as revised, (the Paris Convention) in article 6(bis) thereof obliges countries of the Union to introduce legislation in their country that protect well-known marks originating from other countries of the Union that are found to be well-known in that country.

[9] Section 35 of the Act complies with the obligations imposed upon South Africa by article 6(bis) of the Paris Convention.

[10] Section 35 of the Act provides as follows:

"(1) References in this Act to a trade mark which is entitled to protection under the Paris Convention as a well-known trade mark, are to a mark which is well known in the Republic as being the mark of-

(a) a person who is a national of a convention country; or

(b) a person who is domiciled in, or has a real and effective industrial or commercial establishment in, a convention country,

whether or not such person carries on business, or has any goodwill, in the

Republic.

(1A) In determining for the purposes of subsection (1) whether a trade mark is well-known in the Republic, due regard shall be 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 of the trade mark.

(2) A reference in this Act to the proprietor of such a mark shall be construed accordingly.

(3) The proprietor of a trade mark which is entitled to protection under the Paris Convention as a well-known trade mark is entitled to restrain the use in the Republic of a trade mark which constitutes, or the essential part of which constitutes, a reproduction, imitation or translation of the well-known trade mark in relation to goods or services which are identical or similar to the goods or services in respect of which the trade mark is well known and where the use is likely to cause deception or confusion.

(4) Where, by virtue of section 10 (8), the authorization of the competent authority of a convention country or an international organization is required for the registration of a mark as a trade mark, such authority or organization is entitled to restrain the use in the Republic of such a mark without such authorization."

[11] The provisions of sections 35(3) of the Act are of particular relevance in the present matter in that it is available to the proprietor of a well-known trade mark whether or not that proprietor carries on business or has any goodwill in the Republic.

[12] A party, for a successful reliance on the aforesaid provisions of section 35(3) is obliged to show that:

(a) the mark is well-known in the Republic;

(b) the proprietor of that mark is a national of or domiciled or established, i.e. has a real and effective industrial or commercial establishment, in a Convention country;

(c) there is a reproduction, imitation or translation of his well-known trade mark;

(d) use is made thereof in relation to goods or services which are identical or similar to his goods or services; and

(e) such use being likely to cause deception or confusion in the relevant market.

[13] In *MacDonald's Corporation v Joburgers Drive-Inn Restaurant (Pty) Ltd et al*[1] the Appellate Division (as it then was known) held that a mark is well-known in the Republic if it is well-known to persons interested in the goods or services to which the mark relates.

[14] South Africa is a signatory to the Paris Convention and Italy is a convention country as defined in article 6(bis) of the Paris Convention.

The facts relating to section 35(3) of the Act

[15] The applicant was established in Italy during 1954 and continues to do business.

[1] 1997(1) SA 1 (A)

[16] The applicant is the designer and manufacturer of inter alia a range of footwear and clothing accessories which it produces and sells under the trade mark ARBITER in Italy and worldwide.

[17] The applicant is the proprietor of the trade mark ARBITER, it also being the registered proprietor of the said trade mark in Italy.

[18] It is common cause that the respondent's mark ARBITER is identical to that of the applicant.

[19] Furthermore, it is common cause that the respondent's ARBITER trade mark is applied to identical goods to that of the applicant.

[20] The applicant argues that its ARBITER trade mark is well-known in the Republic on the basis that the evidence that will follow.

[21] In 1983 the applicant introduced its footwear under the ARBITER trade mark in the Republic via various importers and distributors from South Africa, including the respondent.

[22] It is remarkable to me that the detail of wholesale and retail clients and exposure to South Africans clients is very vague. I quote paragraph 12 of the founding affidavit:

> *"In 1983, over 30 years ago, the applicant's footwear under the trade mark ARBITER, was introduced into South Africa via,* inter alia, *importers and distributors and, over the years, the orders in South Africa have increased significantly.* *<u>The applicant's contact with and exposure to South African</u>*

clients (mostly wholesale and retail clients, as the applicant does not deal directly with the end consumer of its products), is frequent, both at official events, such as the International Fair of Footwear Milan (MICAM) and at the offices of the applicant. In addition my son, Mr. Marciano Maurizio, conducts numerous business trips and working visits to South Africa to behalf of the applicant to promote its footwear and clothing products sold under its ARBITER trade mark. By way of example, my son and Mrs Maria Cristina Marciano visited South Africa in August 2013 for, inter alia, *the purpose of meeting with our distributor Mr. Theodosios Joannou Constantinides and some clients."*

[23] What the applicant attaches are hundreds of pages of promotional material in Italian as well as Italian invoices and letters of credit. This is inadmissible evidence.

[24] Detailed evidence is necessary to establish that a mark is well-known such as the following:

24.1. The turnover of the business in South Africa over the years.

24.2. In which geographical areas are the goods sold, in which shops, malls or retail centres?

24.3. Which groups or people purchase the products?

[25] The applicant has set out its evidence in a cursory, vague and sketchy form. There is far too less detail to gather that the applicant's product is well-known, to satisfy the requirements of section 35 of the Act. There is no evidence that the goods were sold outside Gauteng. What would have been valuable would have been a market survey of the recognisability of the products.

[26] What goes for the section 35 application means the fate of the passing off the application as well. There is insufficient evidence relating to reputation or goodwill.

Order

The application is dismissed with costs, including the costs of two counsel.

A.A. LOUW

Judge of the High Court