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INTELLECTUAL PROPERTY

Are your trade marks filed properly? Key issues to consider in trade mark protection.

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We refer to the article in the February 2017 edition of LegalWerks which dealt with the dangers of choosing a descriptive trade mark.

In this article we deal with the another trade mark case between YUPPIECHEF and YUPPIE GADGETS in which the Supreme Court of Appeal ("SCA") again looked at the nature of the mark concerned.

In light of the findings by the SCA, the following should be considered when dealing with your trade marks–

- Give careful consideration to the selection, adoption and registration of your trade marks;
- File trade mark applications as soon as possible for the entire mark and if distinctive, also for the dominant portion/s thereof (as separate marks and on their own);
- File your marks in the correct classes and ensure that additional classes are added as may become necessary given that brand extensions do happen;
- Conduct regular audits of your trade mark portfolio to assess whether the marks are protected sufficiently, both from the perspective of the mark itself and whether the appropriate classes are covered.

Yuppiechef Proprietary Limited ("Yuppiechef") registered the trade mark YUPPIECHEF in classes 8, 11 and 21 which are concerned with different types of kitchen equipment and other household goods.

Trade marks can be registered in one or more of 45 classes depending on the goods and / or services for which protection is needed. Classes 1 – 34 covers goods and classes 34 – 45 cover services. The classes in which trade marks are filed are critical when it comes to enforcing such marks, the very purpose for obtaining protection in the first place.

Yuppiechef is an online retailer of kitchen and household goods of third parties which feature their trade marks such as LE CREUSET, NESPRESSO, BRABANTIA and JAMIE OLIVER. These services are retail services which fall within class 35, for which Yuppiechef did not have a registration.

Yuppie Gadgets Proprietary Limited ("Yuppie Gadgets") is also an online retailer selling items and gadgets for household and office use. It was initially known as URBAN GADGETS which it changed to YUPPIE GADGETS in 2011.

Yuppiechef complained that Yuppie Gadgets was infringing upon its YUPPIECHEF's registered trade marks.

Although the court found there was an overlap between the goods marketed by both parties, it found a difference in that the items sold by Yuppie Gadgets were quirky, unusual household items and office equipment, such as a large mirror in the shape of sunglasses, a vase in the shape of a whale and a lampshade in the form of a bowler hat (as seen below) –

Yuppiechef claimed infringement on the basis of section 34(1)(a) of the Trade Marks Act which provides protection against the use of an identical or similar trade mark which is used for goods or services for which the trade mark is registered that there is a likelihood of deception or confusion.

The court mentioned that the fact that as Yuppiechef had only registered its trade marks for goods it did not extend to retail services, being the mechanism through which the goods were purchased by the public.

The court used the analogy of customers purchasing goods through AMAZON – the customer will be aware that the packaging will arrive reflecting that fact, but this is not nor is it intended to be any indication of the provenance of the goods inside the package. According to the court, Yuppie

Gadgets was like any other retailer by using its mark to identify its business of selling its stock in trade, and was no different to household names in the world of bricks and mortar, such as Macy's in New York and Harrod's in London.

The court looked into the fact that trade marks can also be filed as service marks and stated that if YUPPIECHEF had been registered as a service mark in class 35 for retail services the issue would have been restricted to whether the two marks were similar.

Despite commenting on the absence of YUPPIECHEF being registered as a service mark in class 35 (retail services) the court nevertheless found that the marks were dissimilar in that they were visually and aurally different. It found that although YUPPIE was common to both, the inclusion of 'chef' and 'gadgets' could not be confused.

Regarding Yuppiechef's argument that YUPPIE is dominant in the YUPPIECHEF trade mark, the court stated that it is not the purpose of a trade mark to enable people to secure monopolies in common words in the English language, finding that YUPPIE was an ordinary English word in common use.

It also found that the risk of confusion between the marks was minimised by taking into account that the goods were purchased by way of online shopping, carried out by informed consumers and which includes various security mechanisms including the registration of a profile and uploading of credit card details and so on.

Yuppiechef also failed on section 34(1)(b) of the Trade Marks Act which protects the owner of a mark against the use of an identical or similar mark when used for *similar* goods or services. This is different to direct infringement referred to above as the protection extends beyond the goods or services for which the mark is registered. Although the court did not pronounce on whether a goods mark registration can be relied upon in respect of an infringement for use in relation to services, it did place some doubt on that proposition.

There appears to be a measure of inconsistency in relation to judgments concerned with this aspect of similarity of goods and / or services. It has been found in the past that a mark registered for goods, being EAT OUT for printed matter including publications, could be relied upon to interdict the use of a similar mark, EATING-OUT, for an online guide (which would fall in a service class).

Although the court found that the YUPPIECHEF and YUPPIE GADGET marks were dissimilar, if Yuppiechef had filed YUPPIECHEF for retail services (covered by class 35) when the applications were made in the other classes in 2009 this may have influenced the direction which this case took and possibly the outcome thereof.

Searches of the South African trade marks register for marks filed by Yuppiechef indicate that it embarked upon an extensive filing program in 2014 for the word YUPPIE on its own in numerous goods and services classes. Enforcement of these registrations would be interesting especially in relation to the SCA's comments in respect of the common nature of the word YUPPIE.

Taking into account the invaluable nature of trade marks and more and more so in the digital world, it is imperative to ensure that your business and products are properly protected.

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