

SOUTH AFRICA / JUDGMENT

Premier Trading Company (Pty) Ltd and Another v Sportopia (Pty) Ltd (218/97) [1999] ZASCA 48 (1 June 1999) [1999] ZASCA 48

COURT

Supreme Court of Appeal

BEFORE

Hefer, Nienaber, Schutz, Plewman, Farlam

CASE / FILE NUMBER

218/97

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IN

THE SUPREME COURT OF APPEAL

OF

SOUTH AFRICA

Case No: 218/97

In the

matter between:

PREMIER TRADING COMPANY (PTY) LIMITED First

Appellant

and

GDK

SPORTS (PTY) LIMITED Second Appellant

SPORTOPIA

(PTY) LTD Respondent

CORAM

: HEFER, NIENABER, SCHUTZ, PLEWMAN JJA,

FARLAM

AJA.

HEARD

: 20 MAY 1999

DELIVERED

: 1 JUNE 1999

Passing-off

- alleged product confusion - reputation as importer/distributor -

absence of - no likelihood of confusion

JUDGMENT

NIENABER JA

NIENABER JA:

- [1] This is a case about passing-off. It commenced as an application by the first appellant for an interdict in the Durban and Coast Local Division in which it sought to restrain the respondent from "1.1 dealing in any way in roller skates bearing the trade mark Bladeline or using the brand name Bladeline in connection with the sale of roller skates; 1.2 interfering in the applicants' business in its roller skates bearing the trade mark Bladeline by asserting to the applicant's customers that the applicant is disentitled to use its Bladeline trade mark and threatening legal proceedings against such customers and/or the applicant on the grounds that the respondent is the only party entitled to use the trade mark Bladeline in respect of roller skates". The roller skates concerned are so-called "in-line" roller skates. In-line roller skates differ from conventional roller skates in that the four wheels are not mounted in two matching pairs at the front and at the rear but in a line along the chassis of the boot. This configuration, comparable to ice skates, increases their
- [2] user's manoeuvrability and speed. This particular product, so it was stated, was developed during about 1989 in Australia by a firm called "Skateworks" which registered the trade mark "Bladeline" in that country in
1992. Skateworks was taken over by, and eventually became a division of, Australian Power Brands (Proprietary) Limited ("APB"). On 23 September 1993 APB concluded a distribution agreement with the respondent. The respondent is a South African company, incorporated two days before, with its principal place of business in Durban. It operates as an importer of consumer goods, including sports and recreational equipment, which it supplies to retail outlets. In terms of the agreement APB licensed the respondent to market, distribute and sell Skateworks products in South Africa, in particular Bladeline in-line skates. Clause 13 of the agreement granted the respondent the exclusive right to the use of the trade mark Bladeline in South Africa, including the right to apply for its registration as a trade mark in its own name. The [3] respondent, having determined that it was open to it to do so, duly applied for registration of the trade mark Bladeline in classes 28 and 42 under applications 93/11039 and 93/11040 respectively on 22 November 1993. Twenty one days later, on 12 December 1993, the first appellant filed its application, 93/11832 in class 28 and 93/11833 in class 42, for registration of the trade mark Bladeline. Both applications are still pending. The first appellant, a Johannesburg company, is an importer, like the respondent, of a wide range of consumer durable goods, including sports and recreational equipment, such as roller skates, and, like the respondent, it acts as a supplier to retail distribution chains and independent retail stores. On 8 July 1993 (before the respondent's incorporation) it acquired, from a notarial bond holder, the assets and goodwill of three

companies, one of which was Jokari (South Africa) (Pty) Ltd ("Jokari"). Prior to the takeover Jokari had [4] been a prominent supplier of sporting goods (including roller skates) to the mass retail market in South Africa, in relation to which it used the mark "Jokari". Included in the stock Jokari imported were 312 pairs of what was described in the invoice of the exporter as "Bladeline Inline Skates: Three Buckles". The invoice is dated 12 March 1993. The exporter was a Taiwanese company, Ellen East Company Limited ("Ellen East"). How this all came about is explained by one Schneider, an employee of the first appellant who was an employee of Jokari at the time, in an affidavit in support of the application: He states: "If my memory serves me correctly, round October/November 1992, Stephen Stone [Jokari's then managing director] visited Jokari's buying agent in Taiwan. When he returned he told Jokari's sales staff, myself included, of an upgraded in-line skate called the "Bladeline" which he hoped to launch successfully on the South African market from late 1992 onwards ... As far as I can recall, in late 1992 Stephen Stone had samples of both the new "BLADELINE" skate as well as its packaging."

- [5] (I shall refer to the product introduced into South Africa by Jokari as the Taiwanese skates and to the respondent's product as the Australian skates, although the latter, so we were informed from the bar, was also manufactured in Taiwan.) The Taiwanese skates resembled but were not identical to the Australian skates. The Australian skates have the name Bladeline prominently depicted on the side of the heel of the boot as well as continuously along the rims of the wheels, separated by a star motif. The Taiwanese skates display the name Jokari, although in smaller print, on the side of the boot and the name Bladeline on the wheels, likewise (at least initially) interspersed with a star motif. The Australian skates have a single buckle with laces and "mag" wheels whereas the Taiwanese skates have three buckles and solid wheels. The box in which the Taiwanese skates were packaged was an exact copy of the cardboard box, designed for Skateworks in Australia, in which [6] the Skateworks' Bladeline in-line skates were marketed. The only difference was in the picture of the boot on the box which was that of the Taiwanese skates. That the package was a direct copy admits of no doubt inasmuch as the technical specifications displayed on the box related to the Australian and not to the Taiwanese skates. Who the actual manufacturer of the Taiwanese skates was and how it happened that Ellen East assumed the name Bladeline in Taiwan are matters not explained in the papers. What is certain is that it happened without the consent of APB in Australia. The following inferences can, I think, safely be drawn:
- i) that the article imported by the first appellant was manufactured by someone in Taiwan who pirated, but did not exactly copy, the Australian design. This could have been either Ellen East itself or someone who supplied Ellen East with it;
 - [7] ii) that Ellen East or its supplier appropriated the trade name Bladeline (for which an application for the registration of the trade mark was pending in Taiwan - the application was made in April and accepted into the register in August 1993); iii) that the product was packaged in a box which, but for one detail, was an exact replica of the Australian package; iv) that the name Jokari was added to the product, and therefore to the picture appearing on

its package, by or at the order of Ellen East acting at the instance of Jokari - either at the very outset, prior to the first delivery of 312 pairs of skates, or

some time thereafter. The first appellant, after the takeover of Jokari, continued to import quantities of the Taiwanese skates which it advertised, promoted and marketed in South Africa. It also took formal assignment of Jokari as a trade mark on 11 April 1995.

[8] Hoar, the managing director of the respondent, first noticed the Taiwanese skates on the shelves of retailers in November 1993, after the incorporation of the respondent and the conclusion of its agreement with APB in September of that year. On his instructions the respondent's attorneys thereupon wrote to the first appellant objecting to the first appellant's sales of its Bladeline in-line skates and claiming for itself all the rights in and to the trade mark. The first appellant's attorneys responded that the first appellant's use of the mark, which it claimed to be extensive, predated the respondent's application for registration of the trade mark. The respondent's attorneys thereupon complained that the box in which the first appellant's product was packaged was not only a replica of the package used by Skateworks in Australia but displayed misleading information relating to the product sold. The first appellant reacted to this complaint by at first placing a brightly coloured sticker over the false specifications with the words "By Jokari - World of Sport - New Bright Colours" and, some months thereafter, [9] by redesigning the package, as well as the manner in which the word Bladeline appeared on the wheels, so as not to resemble, as conspicuously as before, the Australian get-up. About a year later, in December 1994, the respondent launched the Australian skates in South Africa with the name Bladeline prominently featured on the outside heel of the boot and on the "mag" wheels. This foray into the South African market by the respondent prompted the present motion proceedings, in which the first appellant pressed for the relief set out earlier in this judgment. Paragraph 1 of the notice of motion was opposed by the respondent and refused by Combrink J but paragraph 2 was conceded by the respondent and granted by the court a quo. In the result the respondent was ordered to pay a proportion of the costs. There is no cross appeal. After judgment was reserved by the court a quo but before it was delivered the second appellant in October 1995 purchased and took over a portion of the [10] assets and the business of the first appellant, including the first appellant's rights in the Jokari trade mark as well as the first appellant's

pending trade mark application in respect of Bladeline. Also included in the sale was the first appellant's stock on hand or

order for its in-line skates under the Jokari legend. After the take-over the Bladeline line of business was conducted by the second appellant. The first appellant sought leave to appeal against the judgment of the court a quo and the second appellant sought leave both to intervene and to appeal. Both applications were simultaneously granted. For the sake of convenience I shall henceforth refer to Jokari, the first appellant and the second appellant collectively as "the appellant". Passing-off is a wrong consisting of a false representation made by one trader ("the defendant") to members of the purchasing public that the enterprise, goods or services of a rival

trader ("the plaintiff") either belong to him (the [11] defendant) or are connected, in the course of trade, with his own enterprise, goods or services. (I shall abbreviate, for the sake of convenience, "enterprise, goods or services" to the single term "the product" since this

is a case of "product confusion" rather than "business connection confusion".) The defendant's representation is a misrepresentation if it is likely to deceive or confuse a substantial number of members of the public as to the source or

origin of his product. Passing-off, to be actionable, erodes the plaintiff's goodwill. Goodwill is the product of a cumulation of factors, the most important of which, in the context of passing-off, is the plaintiff's reputation. Reputation is the opinion which the relevant section of the community holds of the plaintiff or his product. If favourable, it would dispose potential customers to patronise the plaintiff or his product and if unfavourable, it would tend to discourage them from doing so. The plaintiff's reputation may be associated with the symbol under which his product is marketed. The symbol renders the product distinctive of the plaintiff or his [12] product. A false representation by the defendant about the symbol used by the plaintiff may encourage or induce potential customers of the plaintiff, believing that they were patronising him, into patronising the defendant. (See, generally, *Capital Estate and General Agencies (Pty) Ltd and Others v Holiday Inns Inc and Others* 1977

(2) SA 916 (A); *Adcock-Ingram Products Ltd v Beecham SA (Pty) Ltd* 1977 (4) SA 434 (W); *Brian Boswell Circus (Pty) and Another v Boswell-Wilkie Circus (Pty) Ltd* 1985 (4) SA 466 (A); *Royal Beech-Nut (Pty) Ltd t/a Manhattan Confectioners v United Tobacco Co Ltd t/a Willards Foods*

[1992] ZASCA 113; 1992 (4) SA 118 (A); *Reckitt & Colman SA (Pty) Ltd v S C Johnson & Sons SA (Pty) Ltd* 1993 (2) SA 307 (A); *Caterham Car Sales & Coachworks Ltd v Birkin Cars (Pty) Ltd and Another*

[1998] ZASCA 44; 1998 (3) SA 938 (A).) From the above paraphrase of what is said in the cases there can be extracted two minimum requirements which a plaintiff must normally prove in proceedings for an interdict, based on passing-off involving the use of a symbol, [13] namely, i) his own reputation in relation to the symbol which epitomises his product and ii) deception, or at the very least confusion, on the part of a not insignificant segment of the buying public, caused by the conduct of the defendant, as to the origin of the product or a trade connection with the defendant, and which would likely have had an influence on their decision to procure it. These requirements the appellant in this matter sought to prove. I deal with each in turn. In *Caterham*, supra, it was said in par 20: "The correct question can be distilled from the judgments on passing-off of this Court mentioned earlier ... In general terms, it appears to me to be whether the plaintiff has, in a practical and business sense, a sufficient reputation amongst a substantial number of persons who are either clients or potential clients of his business. As far as the 'location' of reputation is concerned, it must subsist where the misrepresentation complained of causes actual or potential damage to the drawing power of the plaintiff's business. Otherwise the misrepresentation would be made in the air and be without any consequences."

- [14] The misrepresentation alleged and complained of by the appellant is the marketing by the respondent of in-line skates by means of a get-up in which the word-mark Bladeline is a prominent feature, without distinguishing it from the appellant's product. The issue can therefore be particularised as follows: did the appellant, at the time when and at the place where the respondent entered the market, enjoy a reputation in the word-mark Bladeline in respect of in-line skates? The respondent entered the market during the weekend of 16 - 17 December 1994 when its product, with Bladeline as the name of its make and "Retro" and "Magic" as the names of two models, was offered for sale at Sneaker's Store in Durban. The relevant time, for present purposes, is therefore December 1994 and the relevant place the area of jurisdiction of the Durban and Coast Local Division. The evidence adduced by the appellant in proof of its reputation consisted of nationwide sales of its product; national advertising on TV; promotional material (in the form of press fliers or brochures containing, inter alia, pictures and [15] prices of its Jokari in-line skates, as distributed by Pick 'n Pay, a national chain of retail stores with branches throughout the country, including Durban and its surrounds); and finally some trade evidence to which I shall return in greater detail later. No direct customer evidence was tendered. The evidence so offered, as was pointed out on behalf of the respondent, is in the broadest of terms. Moreover, the evidence of Durban sales of in-line roller skates (19 pairs with a stated value of R3 609,05 and 144 pairs with a stated value of R22 896,00) can hardly be said to be extensive, having regard to a potential market of 70 000 to 80 000 pairs in the country as a whole. Nevertheless there was, scattered throughout the evidence, just enough material, I believe, to justify the conclusion that the appellant's product must have enjoyed some repute in Durban during December 1994. But what repute, in what capacity, and with whom? The appellant was not the manufacturer of its product. At best it was the [16] importer and distributor thereof in South Africa. Who the actual manufacturer of the Taiwanese skates was, does not expressly appear from the papers. The inference, as stated earlier, is that it was Ellen East or someone who manufactured the product on behalf or at the order of Ellen East. Since Ellen East undoubtedly copied the Skateworks' artwork in designing the package, to the extent of falsely duplicating the Skateworks' technical specifications on its package, it is, I think, safe to assume, in the absence of any contrary explanation from Ellen East or Stone, that the name Bladeline was also copied from its Australian source. Such copying, as counsel for the appellant was at pains to point out, was not in itself wrongful; it would only have been wrongful if APB had earlier acquired a reputation in the word-mark Bladeline in Taiwan - which has not been established. If this inference (that the word Bladeline was copied from the Australian product by or at the order of Ellen East) is correct, Bladeline was in effect a manufacturer's mark.
- [17] Some confirmation for this assumption appears, firstly, from the Ellen East invoices of March 12 1993, 20 September 1993 and 23 October 1993 where the product is described by Ellen East as "item # 7013 Bladeline Inline skate - 3 Buckles". And secondly there is the evidence of Schneider, quoted earlier in this judgment, which was to the same effect. If Bladeline was a feature devised by or at the instance of Ellen East by which the product was

distinguished as that of the manufacturer, then the word Jokari must have been affixed to it at the instance of Jokari in its capacity as importer and distributor of the product in South Africa. Whether this happened before or only after the first consignment of 312 pairs was imported into South Africa in March 1993, does not appear to me to be a matter of any moment in this case. It could have happened either at the outset or later when Jokari, having tested the market, resolved to import the product in greater quantities. (Counsel for the appellant demonstrated during argument that the nametag Jokari was not [18] integrated into the boot but was stuck onto it by what was described elsewhere in the papers as a "magic sticker". The photograph of the boot with the sticker on it was thereupon incorporated as a feature into the package which in colouring, design and detail was otherwise copied from the Australian product.) In my opinion the inference can therefore safely be drawn i) that the word Bladeline, at least initially, functioned as a manufacturer's

mark and ii) that the word Jokari on the boot and on the package functioned as the mark of an importer and distributor. Before dealing with the legal implications of that inference I propose briefly to dispose of two other issues that were debated in this court. The first is whether the word Bladeline was a mere generic term, descriptive of in-line roller skates as such, in contradistinction

to conventional roller skates. I agree with counsel for the appellant that it has not been shown that Bladeline, as a word which

either is or has become purely descriptive, was indicative only of a

[19] particular type of article. On the facts of this case Bladeline was not in that exclusive sense a generic term but fulfilled its primary function as the mark of its manufacturer. The second issue I propose to mention in passing is whether the reputation of the appellant, if any, adhering to the mark Bladeline,

was tainted and as such had to be disregarded. In *Caterham Car Sales*, supra, par 31, it was said, stating the principle: "... to the extent that a reputation is founded upon a conscious falsehood, public policy demands that legal protection should be withheld. ... Caterham cannot be permitted to benefit from its own wrong." In an affidavit in support of the respondent's case *Lynch*, the original owner of the trade mark in Australia who negotiated the sale thereof to Skateworks, stated: "3. The original artwork and design of the box referred to in proceedings in this application in South Africa was created by

[20] Ms. Jo Shintah, an employee of mine at all relevant times. The artwork for the box was handed to the supplier in Taiwan GOOD-MEN ASSOCIATES INC. for printing on or about 1.5.92.

4. I have carried out investigations and have come to the conclusion that the artwork was blatantly cribbed, without my permission or authority, by the printer in Taiwan who printed the artwork for GOOD-MEN ASSOCIATES INC. and in the process gave it to ELLEN EAST COMPANY LIMITED also without my permission or authority." That Ellen East exploited the

information so passed on to it and that the appellant in turn capitalised on that exploitation, may well be so. The Taiwanese skates, it is true, were not an exact replica of the Australian ones but the box in which it was packaged was. When it was pointed out to the appellant in December 1993 by the respondent's attorneys that its package contained false information, a sticker was immediately placed over the offending specifications on the box and the box itself was afterwards completely redesigned in May 1994. The manner in which the mark Bladeline appeared on the wheels was likewise altered so as not [21] to resemble so closely the style of its Australian counterpart. While all of this may well have constituted an admission by conduct that the get-up of the Taiwanese product contained matter to which the respondent was legitimately entitled to object, the objectionable material was promptly and properly removed. On the facts of this case there is accordingly insufficient reason to deny the appellant a reputation on the strength of the dictum in the Caterham case quoted above. To return to the earlier point, the case must therefore be approached on the footing that Bladeline represented the mark of the

manufacturer, to which the word Jokari was added at the instance of the appellant in its capacity as the importer and distributor of the product in South Africa. An importer or distributor of the goods of a manufacturer who acts as a mere conduit between the manufacturer and the end user of the product, will as a rule find it hard to maintain proceedings for passing-off in his own name. But this [22] is not such a case. The appellant qua importer/distributor was not simply an inactive link in the chain of distribution. It caused to be imprinted on the product its own imprimatur or stamp of identity, selection and approval. Cases cited in argument, such as *Hirsch v Jonas* (1876) 3 ChD 584, *Dental Manufacturing Company Ltd v C De Trey & Company* [1912] 3 KB 76 (CA), *Imperial Tobacco Company of India Ltd v Bonnon and Others*

[1924] AC 755 (PC) and *Rusmarc (SA) (Pty) Ltd v Hemdon Enterprises (Pty) Ltd* 1975 (4) SA 626 (W), are accordingly not directly in point. But of course on that approach the appellant's distinguishing symbol is Jokari, not Bladeline. Any reputation it acquires as

importer/distributor would therefore adhere not to the word Bladeline but to the word Jokari. The adding of the word Jokari

accordingly does not assist the appellant in establishing a reputation in the word-mark Bladeline. This conclusion, that the appellant, at best for it, acquired a reputation in the [23] word Jokari rather than Bladeline, is

fortified by the appellant's own trade evidence. That evidence consisted of an affidavit from Baker, a houseware buyer at the Pick 'n Pay Hypermarket by the Sea in Durban North; Armstrong, a houseware buyer at the Pick 'n Pay Hypermarket in Boksburg; Taylor, who describes his position as that of "a merchandiser in Totalsports (Pty) Limited" of Cape Town and Perrik the managing director of Sports 'n Leisure, a retailer in Durban. These affidavits were rightly criticised on behalf of the respondent as being suspiciously alike. I shall confine myself, for present purposes, to the affidavits of Baker and Perrik who are the only ones commenting on the situation in Durban. Baker refers to the "Jokari brand" as one of the market leaders in the

field of mass distributed sports equipment and as one of the country's major suppliers of roller skates (as opposed to in-line roller blades).

[24] In par 5 of his affidavit he states: "The JOKARI "In-line" rollerskates were marketed under three model names, these being JOKARI BLADELINES, JOKARI RADICALS and JOKARI PRO LINE ..." Paragraph 12 reads as follows: "As a result of the promotional campaigns conducted by both the Applicant and Pick 'n Pay for the JOKARI BLADELINE "In-LINE" rollerskates they have acquired a substantial reputation and goodwill in the market place and are asked for by name." This paragraph must be contrasted with paragraph 14: "Both JOKARI BLADELINES and JOKARI RADICALS are asked for by the name BLADELINE or RADICALS respectively and it is clear to me that JOKARI BLADELINE is an established brand and has been established since mid 1993." Apart from the contradiction (as to whether customers ask for Jokari Bladelines or simply for Bladelines), it is plain that in South Africa the dominant mark is Jokari and not Bladeline. This is also apparent from the affidavit of Perrik, who in paragraph 6 refers to the product which was:

[25] "branded with the Jokari trade mark on the body of the boot and the BLADELINE and PRO-LINE models were labelled on the wheels of the roller skates" (my emphasis). In paragraph 8 of his affidavit he contrasts the "house mark JOKARI" and the "model marks BLADELINE and PRO-LINE"

and in paragraph 10 he refers to Jokari as the house mark and to the other two as "subsidiary trade marks for the two models of roller skates." Paragraph 11 reads: "To my knowledge Jokari is the dominant supplier of all types of roller skates, and it has held this position since I commenced trading in this field. The trade mark JOKARI is exceptionally well known and I estimate that it supplies up to 60% of the roller skate market." These affidavits strongly suggest that in South Africa Jokari is regarded as the name of the make and Bladeline and Pro-Line as the names of particular Jokari models. Notionally there is nothing unacceptable in the proposition that a model name may acquire a reputation separate and distinct from that of the make, but in [26] my view the conflicting evidence adduced by the appellant in this case falls short of establishing such a separate reputation in Durban. The reputation, if any, is one acquired for Jokari rather than Bladeline. To overcome this difficulty in its case (that the reputation adhered in Jokari rather than in Bladeline), the appellant in its replying affidavit sought to demonstrate that the reputation was not in Jokari or in Bladeline as such but rather in the juxtaposition of the two word-marks; consequently that the exploitation by another party of either of the two component parts, in this case Bladeline, would ipso jure infringe on the conjoined mark. According to the appellant the skates were promoted and marketed with the "general" mark Jokari endorsed on the outside of the heel used in conjunction with the "specific" mark Bladeline on the wheels. Because the specific mark is always used in conjunction with the general mark each indicates, so it was submitted, the "source and provenance of the goods in the First Appellant". It is stated thus in [27] the replying affidavit: ".... the conjunctive use of these two marks denotes and identifies the actual BLADELINE roller skate as a JOKARI product, and as emanating from and being connected in the course of trade with the proprietor of the Jokari Trade mark." The notion of a conjoined or

composite mark may be perfectly feasible as a proposition of law; in this case, as a proposition of fact, it fails. The two marks simply did not function in that fashion. Nowhere, on the boot or on the package, do they appear in the form "Jokari-Bladeline". On the boot itself Jokari is affixed on the heel and Bladeline is printed on the wheels. Merely as a matter of physical appearance the two words consequently are not linked or articulated. On the package, in its redesigned form, Bladeline appears on the box, with the letters B, E and E in bright and the remaining letters in subdued colours, removed from a separate insert on which the words "Jokari: World of Sport" appear in much smaller print.

- [28] In the first appellant's correspondence, likewise, Jokari and Bladeline are never used in tandem; in fact, in the appellant's attorney's first letter of 14 December 1993 only the word Bladeline or Blade-line is used, and Jokari is not mentioned at all. So too in the affidavits of the appellant's witnesses, as stated earlier, there is no reference to Jokari-Bladeline in composite form. Schneider in particular talks only of Bladeline. Baker, as stated earlier, distinguishes between Jokari Bladeline, Jokari Radical and Jokari Pro-Line in the sense that Jokari is the make and the others are descriptions of various models; as such Bladeline is simply, as he put it, "a Jokari product". Perrik also distinguishes between the house mark, Jokari, and the model marks, Bladeline and Radical. Baker's bald assertions that Jokari Bladeline acquired a substantial reputation and goodwill in the market place, that the product is asked for by that name and that Jokari Bladeline is "an established brand", must therefore be open to considerable doubt. That assertion has not been confirmed by any other evidence and, contrary
- [29] to what one would have expected, the aforementioned doubt has not been removed by evidence, in particular, from representative members of the buying public as to how the product was in fact viewed in the market place. Reputation, after all, is the collective opinion held by a particular section of the community about something or somebody. The relevant opinion, for present purposes, is that of customers or potential customers of in-line skates. Evidence, in this case, of the reputation Bladeline enjoyed in the market-place with customers and potential customers is conspicuously lacking. In my opinion the evidence tendered on behalf of the appellant accordingly falls short of proving the requisite reputation for

either Bladeline or Jokari-Bladeline (as opposed to Jokari) in Durban during December 1994. That conclusion effectively disposes of the appeal. If the appellant failed to prove the requisite reputation there could have been no misrepresentation and hence no passing-off. Consequently it is not speaking necessary to say anything about the further aspect mentioned earlier, namely, whether the get-up of the product introduced into the South African market by the respondent, which included the word-mark Bladeline, was and would be confusingly similar (in the eyes of a substantial number of ordinary members of that segment of the public disposed to purchase this kind of article) to the get-up of the product previously introduced into the country by the appellant. I propose, nevertheless, in one paragraph, to do so all the same. In respect of the appellant's article the word Jokari is that of the make and Bladeline that of the model; in respect

of the

respondent's article Bladeline is the make and Retro or Magic is the model. The common factor is the word Bladeline. In the one case it fulfils a secondary or subsidiary function and in the other a primary or dominant one. The retailers to whom the respective products are supplied would themselves of course not be confused. But that, I accept for [31] present purposes, is not the test. The enquiry must be directed at the potential end customers. Judging by the promotional material adduced by the appellant in support of its case, the end customers would most likely be teenagers or their parents. Teenagers, when it comes to this sort of product, are notoriously discerning and discriminating purchasers and their parents, if uninformed, would, one imagines, take advice from shop assistants who themselves would be alive to the differences between the two products. Having regard to its price range this is not the type of product which would inspire buying on impulse. Finally, and purely as a matter of appearance, the differences in get-up between the two products after the redesign of the appellant's package in May 1994, so far outweigh the similarity of the one common feature, the word Bladeline, that the realistic likelihood of deception in my opinion is slim. The appellants have accordingly also not established the further requirement for the interdict which they sought.

[32] For the above reasons the appeal should in my view be dismissed. The following order is made: the appeal is dismissed with costs, such costs to be paid jointly and severally by the first and second appellants, and to include the costs occasioned by the employment of two counsel. P M NIENABER JUDGE OF APPEAL Concur: Hefer JA Schutz JA Plewman JA Farlam AJA

NIENABER JA:

[1] This is a case about passing-off. It commenced as an application by the first appellant for an interdict in the Durban and Coast Local Division in which it sought to restrain the respondent from

"1.1 dealing in any way in roller skates bearing the trade mark Bladeline or using the brand name Bladeline in connection with the sale of roller skates;

1.2 interfering in the applicants' business in its roller skates bearing the trade mark Bladeline by asserting to the applicant's customers that the applicant is disentitled to use its Bladeline trade mark and threatening legal proceedings against such customers and/or the applicant on the grounds that the respondent is the only party entitled to use the trade mark Bladeline in respect of roller skates".

The roller skates concerned are so-called "in-line" roller skates. In-line roller skates differ from conventional roller skates in that the four wheels are not mounted in two matching pairs at the front and at the rear but in a line along the chassis of the boot. This configuration, comparable to ice skates, increases their

[2] user's manoeuvrability and speed.

This particular product, so it was stated, was developed during about 1989 in Australia by a firm called "Skateworks" which registered the trade mark "Bladeline" in that country in

1992. Skateworks was taken over by, and eventually became a division of, Australian Power Brands (Proprietary) Limited ("APB"). On 23 September 1993 APB concluded a distribution agreement with the respondent. The respondent is a South African company, incorporated two days before, with its principal place of business in Durban. It operates as an importer of consumer goods, including sports and recreational equipment, which it supplies to retail outlets. In terms of the agreement APB licensed the respondent to market, distribute and sell Skateworks products in South Africa, in particular Bladeline in-line skates. Clause 13 of the agreement granted the respondent the exclusive right to the use of the trade mark Bladeline in South Africa, including the right to apply for its registration as a trade mark in its own name. The [3] respondent, having determined that it was open to it to do so, duly applied for registration of the trade mark Bladeline in classes 28 and 42 under applications 93/11039 and 93/11040 respectively on 22 November 1993.

Twenty one days later, on 12 December 1993, the first appellant filed its application, 93/11832 in class 28 and 93/11833 in class 42, for registration of the trade mark Bladeline.

Both applications are still pending.

The first appellant, a Johannesburg company, is an importer, like the respondent, of a wide range of consumer durable goods, including sports and recreational equipment, such as roller skates, and, like the respondent, it acts as a supplier to retail distribution chains and independent retail stores.

On 8 July 1993 (before the respondent's incorporation) it acquired, from a notarial bond holder, the assets and goodwill of three

companies, one of which was Jokari (South Africa) (Pty) Ltd ("Jokari"). Prior to the takeover Jokari had [4] been a prominent supplier of sporting goods (including roller skates) to the mass retail market in South Africa, in relation to which it used the mark "Jokari".

Included in the stock Jokari imported were 312 pairs of what was described in the invoice of the exporter as "Bladeline Inline Skates: Three Buckles". The invoice is dated 12 March 1993. The exporter was a Taiwanese company, Ellen East Company Limited ("Ellen East").

How this all came about is explained by one Schneider, an employee of the first appellant who was an employee of Jokari at the time, in an affidavit in support of the application: He states:

"If my memory serves me correctly, round October/November 1992, Stephen Stone [Jokari's then managing director] visited Jokari's buying agent in Taiwan. When he returned he told Jokari's sales staff, myself included, of an upgraded in-line skate called the "Bladeline" which he hoped to launch successfully on the South African market from late 1992 onwards ... As far as I can recall, in late 1992 Stephen Stone had samples of both the new "BLADELINE" skate as well as its packaging."

- [5] (I shall refer to the product introduced into South Africa by Jokari as the Taiwanese skates and to the respondent's product as the Australian skates, although the latter, so we were informed from the bar, was also manufactured in Taiwan.)

The Taiwanese skates resembled but were not identical to the Australian skates. The Australian skates have the name Bladeline prominently depicted on the side of the heel of the boot as well as continuously along the rims of the wheels, separated by a star motif. The Taiwanese skates display the name Jokari, although in smaller print, on the side of the boot and the name Bladeline on the wheels, likewise (at least initially) interspersed with a star motif. The Australian skates have a single buckle with laces and "mag" wheels whereas the Taiwanese skates have three buckles and solid wheels.

The box in which the Taiwanese skates were packaged was an exact copy of the cardboard box, designed for Skateworks in Australia, in which [6] the Skateworks' Bladeline in-line skates were marketed. The only difference was in the picture of the boot on the box which was that of the Taiwanese skates. That the package was a direct copy admits of no doubt inasmuch as the technical specifications displayed on the box related to the Australian and not to the Taiwanese skates.

Who the actual manufacturer of the Taiwanese skates was and how it happened that Ellen East assumed the name Bladeline in Taiwan are matters not explained in the papers. What is certain is that it happened without the consent of APB in Australia.

The following inferences can, I think, safely be drawn:

- i) that the article imported by the first appellant was manufactured by someone in Taiwan who pirated, but did not exactly copy, the Australian design. This could have been either Ellen East itself or someone who supplied Ellen East with it;
- [7] ii) that Ellen East or its supplier appropriated the trade name Bladeline (for which an application for the registration of the trade mark was pending in Taiwan - the application was made in April and accepted into the register in August 1993);
- iii) that the product was packaged in a box which, but for one detail, was an exact replica of the Australian package;
- iv) that the name Jokari was added to the product, and therefore to the picture appearing on its package, by or at the order of Ellen East acting at the instance of Jokari - either at the very outset, prior to the first delivery of 312 pairs of skates, or

some time thereafter.

The first appellant, after the takeover of Jokari, continued to import quantities of the Taiwanese skates which it advertised, promoted and marketed in South Africa. It also took formal assignment of Jokari as a trade mark on 11 April 1995.

[8] Hoar, the managing director of the respondent, first noticed the Taiwanese skates on the shelves of retailers in November 1993, after the incorporation of the respondent and the conclusion of its agreement with APB in September of that year. On his instructions the respondent's attorneys thereupon wrote to the first appellant objecting to the first appellant's sales of its Bladeline in-line skates and claiming for itself all the rights in and to the trade mark. The first appellant's attorneys responded that the first appellant's use of the mark, which it claimed to be extensive, predated the respondent's application for registration of the trade mark. The respondent's attorneys thereupon complained that the box in which the first appellant's product was packaged was not only a replica of the package used by Skateworks in Australia but displayed misleading information relating to the product sold. The first appellant reacted to this complaint by at first placing a brightly coloured sticker over the false specifications with the words "By Jokari - World of Sport - New Bright Colours" and, some months thereafter, [9] by redesigning the package, as well as the manner in which the word Bladeline appeared on the wheels, so as not to resemble, as conspicuously as before, the Australian get-up.

About a year later, in December 1994, the respondent launched the Australian skates in South Africa with the name Bladeline prominently featured on the outside heel of the boot and on the "mag" wheels.

This foray into the South African market by the respondent prompted the present motion proceedings, in which the first appellant pressed for the relief set out earlier in this judgment. Paragraph 1 of the notice of motion was opposed by the respondent and refused by Combrink J but paragraph 2 was conceded by the respondent and granted by the court a quo. In the result the respondent was ordered to pay a proportion of the costs. There is no cross appeal.

After judgment was reserved by the court a quo but before it was delivered the second appellant in October 1995 purchased and took over a portion of the [10] assets and the business of the first appellant, including the first appellant's rights in the Jokari trade mark as well as the first appellant's

pending trade mark application in respect of Bladeline. Also included in the sale was the first appellant's stock on hand or

order for its in-line skates under the Jokari legend. After the take-over the Bladeline line of business was conducted by the second appellant.

The first appellant sought leave to appeal against the judgment of the court a quo and the second appellant sought leave both to intervene and to appeal. Both applications were simultaneously granted. For the sake of convenience I shall henceforth refer to Jokari, the first appellant and the second appellant collectively as "the appellant".

Passing-off is a wrong consisting of a false representation made by one trader ("the defendant") to members of the purchasing public that the enterprise, goods or services of a rival trader ("the plaintiff") either belong to him (the [11] defendant) or are connected, in the course of trade, with his own enterprise, goods or services. (I shall abbreviate, for the sake of convenience, "enterprise, goods or services" to the single term "the product" since this

is a case of "product confusion" rather than "business connection confusion".) The defendant's representation is a misrepresentation if it is likely to deceive or confuse a substantial number of members of the public as to the source or

origin of his product. Passing-off, to be actionable, erodes the plaintiff's goodwill. Goodwill is the product of a cumulation of factors, the most important of which, in the context of passing-off, is the plaintiff's reputation. Reputation is the opinion which the relevant section of the community holds of the plaintiff or his product. If favourable, it would dispose potential customers to patronise the plaintiff or his product and if unfavourable, it would tend to discourage them from doing so. The plaintiff's reputation may be associated with the symbol under which his product is marketed. The symbol renders the product distinctive of the plaintiff or his [12] product. A false representation by the defendant about the symbol used by the plaintiff may encourage or induce potential customers of the plaintiff, believing that they were patronising him, into patronising the defendant. (See, generally, *Capital Estate and General Agencies (Pty) Ltd and Others v Holiday Inns Inc and Others* 1977

(2) SA 916 (A); *Adcock-Ingram Products Ltd v Beecham SA (Pty) Ltd* 1977 (4) SA 434 (W); *Brian Boswell Circus (Pty) and Another v Boswell-Wilkie Circus (Pty) Ltd* 1985 (4) SA 466 (A); *Royal Beech-Nut (Pty) Ltd t/a Manhattan Confectioners v United Tobacco Co Ltd t/a Willards Foods*

[1992] ZASCA 113; 1992 (4) SA 118 (A); *Reckitt & Colman SA (Pty) Ltd v S C Johnson & Sons SA (Pty) Ltd* 1993 (2) SA 307 (A); *Caterham Car Sales & Coachworks Ltd v Birkin Cars (Pty) Ltd and Another*

[1998] ZASCA 44; 1998 (3) SA 938 (A).)

From the above paraphrase of what is said in the cases there can be extracted two minimum requirements which a plaintiff must normally prove in proceedings for an interdict, based on passing-off involving the use of a symbol, [13] namely, i) his own reputation in relation to the symbol which epitomises his product and ii) deception, or at the very least confusion, on the part of a not insignificant segment of the buying public, caused by the conduct of the defendant, as to the origin of the product or a trade connection with the defendant, and which would likely have had an influence on their decision to procure it.

These requirements the appellant in this matter sought to prove. I deal with each in turn.

In *Caterham*, *supra*, it was said in par 20:

"The correct question can be distilled from the judgments on passing-off of this Court mentioned earlier ... In general terms, it appears to me to be whether the plaintiff has, in a practical and business sense, a sufficient reputation amongst a substantial number of persons who are either clients or potential clients of his business. As far as the 'location' of reputation is concerned, it must subsist where the misrepresentation complained of causes actual or potential damage to the drawing power of the plaintiff's business. Otherwise the misrepresentation would be made in the air and be without any consequences."

[14] The misrepresentation alleged and complained of by the appellant is the marketing by the respondent of in-line skates by means of a get-up in which the word-mark Bladeline is a prominent feature, without distinguishing it from the appellant's product. The issue can therefore be particularised as follows: did the appellant, at the time when and at the place where the respondent entered the market, enjoy a reputation in the word-mark Bladeline in respect of in-line skates?

The respondent entered the market during the weekend of 16 - 17 December 1994 when its product, with Bladeline as the name of its make and "Retro" and "Magic" as the names of two models, was offered for sale at Sneaker's Store in Durban. The relevant time, for present purposes, is therefore December 1994 and the relevant place the area of jurisdiction of the Durban and Coast Local Division.

The evidence adduced by the appellant in proof of its reputation consisted of nationwide sales of its product; national advertising on TV; promotional material (in the form of press fliers or brochures containing, inter alia, pictures and [15] prices of its Jokari in-line skates, as distributed by Pick 'n Pay, a national chain of retail stores with branches throughout the country, including Durban and its surrounds); and finally some trade evidence to which I shall return in greater detail later. No direct customer evidence was tendered.

The evidence so offered, as was pointed out on behalf of the respondent, is in the broadest of terms. Moreover, the evidence of Durban sales of in-line roller skates (19 pairs with a stated value of R3 609,05 and 144 pairs with a stated value of R22 896,00) can hardly be said to be extensive, having regard to a potential market of 70 000 to 80 000 pairs in the country as a whole. Nevertheless there was, scattered throughout the evidence, just enough material, I believe, to justify the conclusion that the appellant's product must have enjoyed some repute in Durban during December 1994.

But what repute, in what capacity, and with whom?

The appellant was not the manufacturer of its product. At best it was the [16] importer and distributor thereof in South Africa. Who the actual manufacturer of the Taiwanese skates was, does not expressly appear from the papers. The inference, as stated earlier, is that it was Ellen East or someone who manufactured the product on behalf or at the order of Ellen East.

Since Ellen East undoubtedly copied the Skateworks' artwork in designing the package, to the extent of falsely duplicating the Skateworks' technical specifications on its package, it is, I think, safe to assume, in the absence of any contrary explanation from Ellen East or Stone, that the name Bladeline was also copied from its Australian source. Such copying, as counsel for the appellant was at pains to point out, was not in itself wrongful; it would only have been wrongful if APB had earlier acquired a reputation in the word-mark Bladeline in Taiwan - which has not been established. If this inference (that the word Bladeline was copied from the Australian product by or at the order of Ellen East) is correct, Bladeline was in effect a manufacturer's mark.

[17] Some confirmation for this assumption appears, firstly, from the Ellen East invoices of March 12 1993, 20 September 1993 and 23 October 1993 where the product is described by Ellen East as "item # 7013 Bladeline Inline skate - 3 Buckles". And secondly there is the evidence of Schneider, quoted earlier in this judgment, which was to the same effect.

If Bladeline was a feature devised by or at the instance of Ellen East by which the product was distinguished as that of the manufacturer, then the word Jokari must have been affixed to it at the instance of Jokari in its capacity as importer and distributor of the product in South Africa. Whether this happened before or only after the first consignment of 312 pairs was imported into South Africa in March 1993, does not appear to me to be a matter of any moment in this case. It could have happened either at the outset or later when Jokari, having tested the market, resolved to import the product in greater quantities. (Counsel for the appellant demonstrated during argument that the nametag Jokari was not [18] integrated into the boot but was stuck onto it by what was described elsewhere in the papers as a "magic sticker". The photograph of the boot with the sticker on it was thereupon incorporated as a feature into the package which in colouring, design and detail was otherwise copied from the Australian product.)

In my opinion the inference can therefore safely be drawn i) that the word Bladeline, at least initially, functioned as a manufacturer's

mark and ii) that the word Jokari on the boot and on the package functioned as the mark of an importer and distributor.

Before dealing with the legal implications of that inference I propose briefly to dispose of two other issues that were debated in this court.

The first is whether the word Bladeline was a mere generic term, descriptive of in-line roller skates as such, in contradistinction

to conventional roller skates. I agree with counsel for the appellant that it has not been shown that Bladeline, as a word which

either is or has become purely descriptive, was indicative only of a

[19] particular type of article. On the facts of this case Bladeline was not in that exclusive sense a generic term but fulfilled its primary function as the mark of its manufacturer.

The second issue I propose to mention in passing is whether the reputation of the appellant, if any, adhering to the mark Bladeline, was tainted and as such had to be disregarded.

In *Caterham Car Sales*, supra, par 31, it was said, stating the principle:

"... to the extent that a reputation is founded upon a conscious falsehood, public policy demands that legal protection should be withheld. ... *Caterham* cannot be permitted to benefit from its own wrong."

In an affidavit in support of the respondent's case *Lynch*, the original owner of the trade mark in Australia who negotiated the sale thereof to *Skateworks*, stated:

"3. The original artwork and design of the box referred to in proceedings in this application in South Africa was created by

[20] Ms. Jo Shintah, an employee of mine at all relevant times. The artwork for the box was handed to the supplier in Taiwan GOOD-MEN ASSOCIATES INC. for printing on or about 1.5.92.

4. I have carried out investigations and have come to the conclusion that the artwork was blatantly cribbed, without my permission or authority, by the printer in Taiwan who printed the artwork for GOOD-MEN ASSOCIATES INC. and in the process gave it to ELLEN EAST COMPANY LIMITED also without my permission or authority."

That Ellen East exploited the information so passed on to it and that the appellant in turn capitalised on that exploitation, may well be so. The Taiwanese skates, it is true, were not an exact replica of the Australian ones but the box in which it was packaged was. When it was pointed out to the appellant in December 1993 by the respondent's attorneys that its package contained false information, a sticker was immediately placed over the offending specifications on the box and the box itself was afterwards completely redesigned in May 1994. The manner in which the mark Bladeline appeared on the wheels was likewise altered so as not [21] to resemble so closely the style of its Australian counterpart. While all of this may well have constituted an admission by conduct that the get-up of the Taiwanese product contained matter to which the respondent was legitimately entitled to object, the objectionable material was promptly and properly removed. On the facts of this case there is accordingly insufficient reason to deny the appellant a reputation on the strength of the dictum in the *Caterham* case quoted above.

To return to the earlier point, the case must therefore be approached on the footing that Bladeline represented the mark of the

manufacturer, to which the word *Jokari* was added at the instance of the appellant in its capacity as the importer and distributor of the product in South Africa.

An importer or distributor of the goods of a manufacturer who acts as a mere conduit between the manufacturer and the end user of the product, will as a rule find it hard to maintain proceedings for passing-off in his own name. But this [22] is not such a case. The appellant qua importer/distributor was not simply an inactive link in the chain of distribution. It caused to be imprinted on the product its own imprimatur or stamp of identity, selection and approval. Cases cited in argument, such as *Hirsch v Jonas* (1876) 3 ChD 584, *Dental Manufacturing Company Ltd v C De Trey & Company* [1912] 3 KB 76 (CA), *Imperial Tobacco Company of India Ltd v Bonnon and Others*

[1924] AC 755 (PC) and *Rusmarc (SA) (Pty) Ltd v Hemdon Enterprises (Pty) Ltd* 1975 (4) SA 626 (W), are accordingly not directly in point.

But of course on that approach the appellant's distinguishing symbol is Jokari, not Bladeline. Any reputation it acquires as

importer/distributor would therefore adhere not to the word Bladeline but to the word Jokari. The adding of the word Jokari

accordingly does not assist the appellant in establishing a reputation in the word-mark Bladeline.

This conclusion, that the appellant, at best for it, acquired a reputation in the [23] word Jokari rather than Bladeline, is

fortified by the appellant's own trade evidence.

That evidence consisted of an affidavit from Baker, a houseware buyer at the Pick 'n Pay Hypermarket by the Sea in Durban North; Armstrong, a houseware buyer at the Pick 'n Pay Hypermarket in Boksburg; Taylor, who describes his position as that of "a merchandiser in Totalsports (Pty) Limited" of Cape Town and Perrik the managing director of Sports 'n Leisure, a retailer in Durban.

These affidavits were rightly criticised on behalf of the respondent as being suspiciously alike. I shall confine myself, for present purposes, to the affidavits of Baker and Perrik who are the only ones commenting on the situation in Durban. Baker refers to the "Jokari brand" as one of the market leaders in the field of mass distributed sports equipment and as one of the country's major suppliers of roller skates (as opposed to in-line roller blades).

[24] In par 5 of his affidavit he states:

"The JOKARI "In-line" rollerskates were marketed under three model names, these being JOKARI BLADELINES, JOKARI RADICALS and JOKARI PRO LINE ..."

Paragraph 12 reads as follows:

"As a result of the promotional campaigns conducted by both the Applicant and Pick 'n Pay for the JOKARI BLADELINE "In-LINE" rollerskates they have acquired a substantial reputation and goodwill in the market place and are asked for by name."

This paragraph must be contrasted with paragraph 14:

"Both JOKARI BLADELINES and JOKARI RADICALS are asked for by the name BLADELINE or RADICALS respectively and it is clear to me that JOKARI BLADELINE is an established brand and has been established since mid 1993."

Apart from the contradiction (as to whether customers ask for Jokari Bladelines or simply for Bladelines), it is plain that in South Africa the dominant mark is Jokari and not Bladeline. This is also apparent from the affidavit of Perrik, who in paragraph 6 refers to the product which was:

[25] "branded with the Jokari trade mark on the body of the boot and the BLADELINE and PRO-LINE models were labelled on the wheels of the roller skates" (my emphasis).

In paragraph 8 of his affidavit he contrasts the "house mark JOKARI" and the "model marks BLADELINE and PRO-LINE"

and in paragraph 10 he refers to Jokari as the house mark and to the other two as "subsidiary trade marks for the two models of roller skates." Paragraph 11 reads:

"To my knowledge Jokari is the dominant supplier of all types of roller skates, and it has held this position since I commenced trading in this field. The trade mark JOKARI is exceptionally well known and I estimate that it supplies up to 60% of the roller skate market."

These affidavits strongly suggest that in South Africa Jokari is regarded as the name of the make and Bladeline and Pro-Line as the names of particular Jokari models.

Notionally there is nothing unacceptable in the proposition that a model name may acquire a reputation separate and distinct from that of the make, but in [26] my view the conflicting evidence adduced by the appellant in this case falls short of establishing such a separate reputation in Durban. The reputation, if any, is one acquired for Jokari rather than Bladeline.

To overcome this difficulty in its case (that the reputation adhered in Jokari rather than in Bladeline), the appellant in its replying affidavit sought to demonstrate that the reputation was not in Jokari or in Bladeline as such but rather in the juxtaposition of the two word-marks; consequently that the exploitation by another party of either of the two component parts, in this case Bladeline, would ipso jure infringe on the conjoined mark.

According to the appellant the skates were promoted and marketed with the "general" mark Jokari endorsed on the outside of the heel used in conjunction with the "specific" mark Bladeline on the wheels. Because the specific mark is always used in conjunction with the general mark each indicates, so it was submitted, the "source and provenance of the goods in the First Appellant". It is stated thus in [27] the replying affidavit:

".... the conjunctive use of these two marks denotes and identifies the actual BLADELINE roller skate as a JOKARI product, and as emanating from and being connected in the course of trade with the proprietor of the Jokari Trade mark."

The notion of a conjoined or composite mark may be perfectly feasible as a proposition of law; in this case, as a proposition of fact, it fails. The two marks simply did not function in that fashion. Nowhere, on the boot or on the package, do they appear in the form "Jokari-Bladeline". On the boot itself Jokari is affixed on the heel and Bladeline is printed on the wheels. Merely as a matter of physical appearance the two words consequently are not linked or articulated. On the package, in its redesigned form, Bladeline appears on the box, with the letters B, E and E in bright and the remaining letters in subdued colours, removed from a separate insert on which the words "Jokari: World of Sport" appear in much smaller print.

[28] In the first appellant's correspondence, likewise, Jokari and Bladeline are never used in tandem; in fact, in the appellant's attorney's first letter of 14 December 1993 only the word Bladeline or Blade-line is used, and Jokari is not mentioned at all. So too in the affidavits of the appellant's witnesses, as stated earlier, there is no reference to Jokari-Bladeline in composite form. Schneider in particular talks only of Bladeline. Baker, as stated earlier, distinguishes between Jokari Bladeline, Jokari Radical and Jokari Pro-Line in the sense that Jokari is the make and the others are descriptions of various models; as such Bladeline is simply, as he put it, "a Jokari product". Perrik also distinguishes between the house mark, Jokari, and the model marks, Bladeline and Radical. Baker's bald assertions that Jokari Bladeline acquired a substantial reputation and goodwill in the market place, that the product is asked for by that name and that Jokari Bladeline is "an established brand", must therefore be open to considerable doubt.

That assertion has not been confirmed by any other evidence and, contrary

[29] to what one would have expected, the aforementioned doubt has not been removed by evidence, in particular, from representative members of the buying public as to how the product was in fact viewed in the market place. Reputation, after all, is the collective opinion held by a particular section of the community about something or somebody. The relevant opinion, for present purposes, is that of customers or potential customers of in-line skates. Evidence, in this case, of the reputation Bladeline enjoyed in the market-place with customers and potential customers is conspicuously lacking.

In my opinion the evidence tendered on behalf of the appellant accordingly falls short of proving the requisite reputation for

either Bladeline or Jokari-Bladeline (as opposed to Jokari) in Durban during December 1994.

That conclusion effectively disposes of the appeal. If the appellant failed to prove the requisite reputation there could have been no misrepresentation and hence no passing-off.

Consequently it is not speaking necessary to say anything about the further aspect mentioned earlier, namely, whether the get-up of the product introduced into the South African market by the respondent, which included the word-mark Bladeline, was and would be confusingly similar (in the eyes of a substantial number of ordinary members of that segment of the public disposed to purchase this kind of article) to the get-up of the product previously introduced into the country by the appellant. I propose, nevertheless, in one paragraph, to do so all the same.

In respect of the appellant's article the word Jokari is that of the make and Bladeline that of the model; in respect of the

respondent's article Bladeline is the make and Retro or Magic is the model. The common factor is the word Bladeline. In the one case it fulfils a secondary or subsidiary function and in the other a primary or dominant one. The retailers to whom the respective products are supplied would themselves of course not be confused. But that, I accept for [31] present purposes, is not the test. The enquiry must be directed at the potential end customers. Judging by the promotional material adduced by the appellant in support of its case, the end customers would most likely be teenagers or their parents. Teenagers, when it comes to this sort of product, are notoriously discerning and discriminating purchasers and their parents, if uninformed, would, one imagines, take advice from shop assistants who themselves would be alive to the differences between the two products. Having regard to its price range this is not the type of product which would inspire buying on impulse. Finally, and purely as a matter of appearance, the differences in get-up between the two products after the redesign of the appellant's package in May 1994, so far outweigh the similarity of the one common feature, the word Bladeline, that the realistic likelihood of deception in my opinion is slim.

The appellants have accordingly also not established the further requirement for the interdict which they sought.

[32] For the above reasons the appeal should in my view be dismissed.

The following order is made: the appeal is dismissed with costs, such costs to be paid jointly and severally by the first and second appellants, and to include the costs occasioned by the employment of two counsel.

.....

P M NIENABER

JUDGE OF APPEAL

Concur:

Hefer JA

Schutz JA

Plewman JA

Farlam AJA

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Prepared on 13 October 2026 · Esheria