



THE SUPREME COURT OF APPEAL OF SOUTH AFRICA
JUDGMENT

Not reportable
Case No: 553/2019

In the matter between:

KONI MULTINATIONAL BRANDS (PTY) LTD **APPELLANT**

and

BEIERSDORF AG **RESPONDENT**

Neutral citation: *Koni Multinational Brands (Pty) Ltd v Beiersdorf AG*
(553/19) [2021] ZASCA 24 (19 March 2021)

Coram: CACHALIA, MAKGOKA AND SCHIPPERS JJA AND
SUTHERLAND AND UNTERHALTER AJJA

Heard: 19 November 2020

Delivered: This judgment was handed down electronically by circulation to the parties' representatives by email. It has been published on the Supreme Court of Appeal website and released to SAFLII. The date and time of hand-down is deemed to be 10h00 on 19 March 2021.

Summary: Unlawful competition – passing-off – men's shower gel – whether reputation of respondent's get-up of predominant colour combination of blue, white and silver protectable – whether appellant's product confusingly similar – respondent's get-up used extensively – its products the leading brand in its category and holding majority share of shower gel market – overall appearance and format of appellant's product confusingly similar – appeal dismissed.

ORDER

On appeal from: Gauteng Division of the High Court, Johannesburg (Fisher J sitting as court of first instance):

- 1 The appeal is dismissed with costs, including the costs of two counsel, where so employed.
- 2 The Registrar of this Court is directed to forward a copy of this judgment to the Legal Practice Council, Pretoria, to investigate the circumstances in which the respondent's attorneys, Mr Gerard du Plessis and Ms Elizabeth Serrurier, failed to disclose Ms Serrurier's association with the respondent's attorneys to the Gauteng Division of the High Court, Johannesburg and this Court, when filing an affidavit by her, purportedly as a member of the public, and to take whatever steps it deems appropriate in the light thereof.

JUDGMENT

Schippers JA (Cachalia JA and Sutherland and Unterhalter AJJA concurring):

[1] The issue in this appeal is whether the respondent, the manufacturer and distributor of NIVEA MEN personal care products, can prevent the appellant from selling a product, known as 'CONNIE MEN ACTIVE SHOWER GEL', by asserting unlawful competition in the form of passing-off. The matter arises from an interdict (and ancillary relief), which the respondent obtained against the appellant before Fisher J in the Gauteng Division of the High Court, Johannesburg (the high court), in February 2019. The appeal is with the leave of the high court.

[2] The respondent is a German company founded in 1882, based in Hamburg. It markets personal care products comprising shower gels, face products and body lotions throughout the world, including South Africa. It is the proprietor, since 1911, of the NIVEA trademark, a personal care brand focused on body care. Since 1925, the respondent has consistently used a blue and white colour combination in the get-up of its NIVEA products. More specifically, it has used the combination of a white font on a blue background. Given the extensive and long-standing use of this get-up, the respondent's packaging has become associated with it and so too have NIVEA personal care products.

[3] In 1986 the respondent launched its first skin care range aimed exclusively at men, under the trademark NIVEA MEN. The NIVEA MEN range includes various creams, shampoos, styling products, and shower and body care, facial care and anti-ageing products.

[4] In 2008 the respondent re-launched its NIVEA MEN range, inter alia, by applying a new get-up to its NIVEA MEN packaging, and adding the colour silver to its distinctive blue and white get-up. The respondent's products, with their distinctive blue, white and silver colour combination (the NIVEA MEN get-up), are sold throughout South Africa by most leading retailers. Examples of the NIVEA MEN get-up are depicted below.





[5] The NIVEA MEN shower products have held an increasingly significant share of the male shower gel market. According to a graph headed, Nielsen: Total Trade Desk National: Nivea Men Share Percentage of Male Shower, for the period December 2010 to September 2017, contained in a Nielsen report, the NIVEA MEN shower products held a 49.8% share of the shower gel market in December 2015; 51.5% in December 2016; and 58.5% by September 2017. The sales figures in respect of the respondent's NIVEA MEN shower gel products increased from R24 million in 2012 to R54 million in 2017. In 2013, 2014 and 2015, the sales figures for these products were R30 million, R43 million and R50 million, respectively.

[6] Thus, when the appellant, a local company, launched its own shower gel in December 2015, NIVEA MEN shower products had a market share of almost 50% in that category. The sales figures as regards the respondent's full range of NIVEA products in South Africa were R1 707 million in 2015, R1 912 million in 2016 and R1 739 million in 2017. The appellant does not dispute the respondent's share of the shower gel market, its sales figures in relation to its shower gel products, and its sales figures in respect of the full range of NIVEA products in South Africa.

[7] In 2015 the respondent conducted a brand health tracking survey on the NIVEA brand (the brand health survey). Two key components of this survey were brand strength and brand image. The results of the brand health survey, dated July 2015, showed that compared to other brands, the respondent's products had the highest clarity in the mind of consumers. The criterion for clarity was this: 'A clearer picture in my mind of this brand than of other brands'. The brand health survey also revealed that in the South African male skin and body care market, NIVEA MEN was clearly the leading brand and performed best in its class; and that the respondent's products had the most attractive packaging compared to that of its competitors. The appellant also did not dispute the results of the brand health survey.

[8] The visual elements of the respondent's get-up consist of the following. The NIVEA mark, used with the word MEN, the colours used in respect of its NIVEA MEN trademark, the stylisation applied to the NIVEA MEN mark, the formats and colours used in respect of the label applied to the product packaging, and the colour, shape and size of the packaging which the respondent uses in its range of shower gels and body lotions. The most distinctive feature of the respondent's get-up lies in the combination of the blue, white and silver colours.

[9] Since 2006, and in the distinctive combination of blue, white and silver colours, the respondent has made extensive use of a label consisting of a rectangular shape with a wave-styled base, a distinctive silver outline and the word NIVEA on a deep blue background (the wave-label). An image of the wave-label appears in paragraph 16 below.

[10] In January 2008 the wave-label was registered as a trademark, namely NIVEA (Body Care) logo (colour) in Class 3 in respect of 'soaps, perfumery, cosmetics, hair lotions, deodorants and anti-perspirants for personal use'. The

respondent did not renew the registration of its wave-label in 2016, because it adopted a new logo. Consequently, the trademark registration of the wave-label lapsed. However, the respondent alleged in the founding affidavit that it retained substantial goodwill and a residual reputation in its wave-label; and that the purchasing public recognises and associates the wave-label with it.

[11] Despite the absence of the wave-label and the fact that the NIVEA MEN get-up has changed over the years, the format of the label applied to the respondent's NIVEA MEN shower gel has always consisted of the NIVEA logo (in the colours white, blue and silver) at the top, followed by the word MEN in uppercase in a colour other than white, followed by the name of the product in an attractive colour, and followed by a device representing the range of product, as depicted in paragraph 4 above.

[12] For the past two decades the respondent has marketed its NIVEA MEN shower gel and lotion range in a container comprising an overwhelmingly deep blue colour with a silver lid, the NIVEA logo in white against a deep blue background and its distinctive blue, white and silver colour combination.

[13] The appellant is a recent supplier of body care products. It was established in 2012 by Ms Constance Ferguson, a South African actress, presenter and model, together with Mr Joseph Nchabeleng. In June 2014, the appellant launched its CONNIE BODYCARE range of products for women. In December 2015, it launched a men's product range known as 'CONNIE BODY CARE FOR MEN', comprising three body lotions and three shower gel products. The appellant's product range, which includes 'CONNIE MEN ACTIVE SHOWER GEL' (the CONNIE MEN shower gel), is also sold in major stores throughout the country. The CONNIE MEN shower gel was presented as follows at its launch in December 2015:



However, the individual features of the labelling and packaging, which appeared on the CONNIE MEN shower gel when it was launched, are very different from the product as sold. I revert to these aspects below.

[14] In July 2017, it came to the respondent's notice that the appellant was distributing its CONNIE MEN shower gel. In September 2017, the respondent's attorneys wrote to the appellant protesting that it was manufacturing and offering for sale the CONNIE MEN shower gel with a get-up confusingly similar to the respondent's products. This, it was said, constituted passing-off, and the respondent threatened legal proceedings. The appellant denied this and stated that the different names of the products were sufficient to distinguish them. The respondent then applied for an interdict.

[15] In the founding papers the respondent alleged that the appellant was distributing the CONNIE MEN shower gel featuring a confusingly similar get-up to the NIVEA MEN get-up, more specifically in the following respects. The appellant was using the distinctive blue, white and silver NIVEA MEN get-up. The container of the CONNIE MEN shower gel consists of a blue base with a silver lid, similar to the NIVEA product. The format of the printing on the front of both the appellant's and the respondent's containers begin with their respective

trademarks in a white font on a blue background with a silver outline. Both containers have images below the description of the product and a bright green font. All of this was illustrated with reference to the following images:



[16] The respondent further alleged that the appellant was using a wave logo confusingly similar to, or at least reminiscent of, its wave-label in respect of which it has a residual reputation. The wave-label was used extensively by the respondent since 2006, and in 2010 to 2012 it was applied to the NIVEA MEN shower gel range in South Africa. In the founding affidavit the NIVEA wave logo was compared to the CONNIE logo as follows:



[17] The high court found that when the products depicted in paragraph 15 above are compared, the CONNIE get-up has features which also appear in the three NIVEA get-ups. They are these. A wave-label with a similar deep blue colour as background, a silver border and the name ‘CONNIE’ in white block capital letters. The use of distinctive blue, white and silver in the get-up generally, including the use of a deep blue plastic container similar to that used on the NIVEA products, and the use of a silver lid. The use of prominent bright green lettering. The use of a splash/wave-like graphic representation, which has rounded features of a similar size, appearance and position on the NIVEA get-up. Finally, the use of a container of a similar height, width and volume as the latest NIVEA shower gel get-up.

[18] The high court held that there is a potential for confusion between the two products; that a shower gel ‘is often the subject of an “impulse buy”’, where a consumer is less likely to be discerning in relation to a brand and more likely to succumb to immediate impressions; and that parts of a get-up that are distinctive in relation to a particular mark or brand are sufficient to create confusion, despite the use of such parts having been discontinued. The court concluded that the appellant had created a composite from aspects of the NIVEA MEN get-up, calculated to pass-off the CONNIE MEN shower gel as belonging to a range of the respondent’s products. The appellant was accordingly interdicted from competing unlawfully with the respondent and directed to remove the NIVEA MEN get-up from its packaging.

[19] Passing-off was defined by Rabie JA in *Capital Estates v Holiday Inns* as follows:¹

¹ *Capital Estate and General Agencies (Pty) Ltd and Others v Holiday Inns Inc and Others* 1977 (2) SA 916 (A) at 929C.

‘The wrong known as passing-off consists in a representation by one person that his business (or merchandise, as the case may be) is that of another, or that it is associated with that of another, and, in order to determine whether a representation amounts to a passing off, one enquires whether there is a reasonable likelihood that members of the public may be confused into believing that the business of the one is, or is connected with, that of another.’

[20] Regarding misrepresentations by a defendant that are likely to lead the public to believe that the goods offered by it are those of the plaintiff, this Court has said:

‘Misrepresentations of this kind can be committed only in relation to a business that has established a reputation for itself or the goods and services it supplies in the market and thereby infringe upon the reputational element of the goodwill of that business. Accordingly, proof of passing off requires proof of reputation, misrepresentation and damage. The latter two tend to go hand in hand, in that, if there is a likelihood of confusion or deception, there is usually a likelihood of damage flowing from that.’²

[21] The first issue is thus whether the respondent established that its goods have acquired a particular reputation among the public. The test, simply put, is ‘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’.³ The cases make it clear that such reputation must be proved at the date of the conduct complained of,⁴ may be inferred from extensive sales and marketing,⁵ and may be proved by evidence regarding the manner and scale of the use of the get-up.⁶

[22] The evidence shows that when the appellant started to market the CONNIE MEN shower gel in December 2015, the respondent’s NIVEA MEN brand had

² *Pioneer Foods (Pty) Ltd v Bothaville Milling (Pty) Ltd* [2014] ZASCA 6; [2014] 2 All SA 282 (SCA) para 7.

³ *Caterham Car Sales & Coachworks Ltd v Birkin Cars (Pty) Ltd and Another* 1998 (3) SA 938 (A) para 20.

⁴ *Caterham Car Sales* fn 3 para 22.

⁵ *Hollywood Curl (Pty) Ltd and Another v Twins Products (Pty) Ltd* 1989 (1) SA 236 (A) at 249J; *Adidas AG and Another v Pepkor Retail Limited* [2013] ZASCA 3 para 29.

⁶ *Adidas AG* fn 5 para 29.

been on the market for nearly three decades. The blue, white and silver colour combination on the NIVEA MEN get-up had been in use for some seven years. At the time the respondent's blue and white colour combination had been in use for about nine decades, and its extensive and longstanding use of this get-up had become associated with the respondent and its NIVEA personal care products.

[23] The respondent has been the market leader in respect of its NIVEA MEN shower gel and body lotion range since at least 2010. The unchallenged evidence is that when the CONNIE MEN shower gel was launched in 2015, NIVEA MEN shower gel products held a 49.8% share of the male shower gel market. When the respondent sent the letter alleging passing-off in September 2017, it had the majority share of that market – 58.5%. The sales figures in respect of the NIVEA MEN shower gel products in 2015 alone amounted to R50 million, and sales of the respondent's full range of products totalled R1 707 million.

[24] Barely a year after the appellant had launched its CONNIE MEN shower gel, the NIVEA MEN brand was the leading brand in its category in South Africa. Unsurprisingly, it had the highest clarity in the mind of consumers than any other brand, and had the most attractive packaging compared to that of its competitors. The brand health survey showed that a significant percentage of the relevant class of consumers recognise the NIVEA MEN brand and associate it with the respondent. Whilst the NIVEA MEN get-up has changed or been refreshed over the years, it has remained constant and cohesive.

[25] All of this illustrates that the respondent's NIVEA MEN shower gel has dominated the male shower gel market in advertising, consumer recognition and sales. Consequently, the appellant's submission that the respondent 'does not enjoy a specifically strong brand' is wrong. The respondent established a reputation in its products sufficiently identified in the public mind with the

NIVEA MEN get-up. The high court was thus correct to hold that the respondent's reputation in the realm of body care products could not be doubted, and that it was a brand with considerable recognition, both worldwide and in South Africa.

[26] As to the question whether persons wishing to buy the respondent's goods are likely to be misled into buying the appellant's goods, it should be noted that the high court's order is confined to the get-up of the CONNIE MEN shower gel, depicted in paragraph 15 above. In their submissions the parties referred to a number of cases concerning misrepresentation and there is no debate about the principles of law of application in this appeal. In my view, the question whether the distribution and sale of the CONNIE MEN shower gel constitutes a misrepresentation likely to deceive the public regarding its source is one of fact, to be considered in the light of the respondent's establishment of the right to its get-up as a whole.

[27] It should be borne in mind that the primary retail outlets for the appellant's and respondent's products are supermarkets, where they are not likely to be displayed as shown in the founding affidavit, referred to in paragraph 15 above. The average consumer rarely has the chance of making direct comparisons between products, and relies on 'his own perception or recollection, unassisted by the opportunity of side-by-side comparison'.⁷ Ultimately, assessing the likelihood of confusion is a value judgment by the court, dictated by the overall impression created by the get-up in the light of its respective characteristics and the circumstances in which it is likely to be encountered, rather than by excessive analysis.⁸

⁷ *Reckitt and Colman Products Ltd v Borden Inc and others* [1990] UKHL 12, [1990] WLR 491; [1990] 1 All ER 873 (HL) at 881 per Lord Oliver of Aylmerton.

⁸ *Orange Brand Services Ltd v Account Works Software (Pty) Ltd* [2013] ZASCA 158 para 14.

[28] As to the respondent's claim that it has substantial goodwill and a residual reputation in its wave-label, it has been said that goodwill denotes 'the benefit and advantage of the good name, reputation and connection of a business' and 'the attractive force which brings in custom'.⁹ Boppert¹⁰ describes the interrelationship between goodwill and reputation as follows:

'Goodwill is closely related to reputation, which is one of the decisive factors for the success of a business. It allows a producer to build up a customer base by permanently binding them to a brand they have positive associations with. Goodwill thereby functions as a soft factor that determines a consumer's decision apart from price or availability. It has been described as the "invisible handshake" . . . But not only the goodwill owner benefits from the protection of goodwill. Following the "extrapolation principle", goodwill also benefits the consumer. According to this theory, future behavior is dependent on past experiences. A consumer will therefore choose the product with which he has had a good past experience to form his decision what good to purchase in the future.'

[29] It appears from case law that goodwill can only be enforced while the business exists. In this regard, *Star Industrial Co Ltd v Yap Kwee Kor*¹¹ is instructive. A Hong Kong company marketed toothbrushes in Singapore mainly for the purpose of re-export. After the government of Singapore imposed an import levy on toothbrushes, the company stopped marketing and selling in Singapore with no intention to resume trade later on. Three years later, the defendant started producing and selling toothbrushes with a get-up virtually indistinguishable from the claimant's formal packaging. The court rejected the passing-off action brought by the claimant on the basis that its goodwill had been abandoned. This conclusion is hardly surprising. Boppert explains it thus:

'Goodwill, being the relationship between a business and its customers can only be enforced by the business as long as it exists. This also makes sense regarding the intention behind passing off: targeting the loss of customers by unfair means. When a trader has already abandoned his

⁹ *Inland Revenue Commissioners v Muller & Co's Margarine, Ltd* [1901] AC 217 at 223.

¹⁰ A P Boppert 'Should goodwill remain a protectable intangible asset after business cessation?' Queen Mary University of London – Centre for Commercial Law Studies (2017).

¹¹ *Star Industrial Co Ltd v Yap Kwee Kor (t/a New Star Industrial Co)* [1976] FSR 256.

customers by leaving the market, he thus should not be able to claim that another trader stole a customer from him.’¹²

[30] That is not the case here. There has been no abandonment of the respondent’s goodwill and reputation. On the contrary, the respondent’s NIVEA MEN is the market leader in shower gel and holds a significant share of the market in men’s personal care products, as is evident from its sales figures set out above. The get-up of the NIVEA MEN products has been on the market for many years and in the course of time, has become identified with the respondent’s goods and no others. The evidence that since 2006 its wave-label has been used extensively with the NIVEA MEN get up; and that between 2010 and 2012 the label was applied to its NIVEA MEN shower gel range in this country, stands uncontradicted. And the appellant has not suggested that the mark on the CONNIE MEN shower gel with its wave-styled base and silver outline, is its own design.

[31] Given the similarities between the appellant’s and respondent’s products, the inference is inescapable that the appellant’s logo is an appropriation of the NIVEA MEN wave-label indicia on the same kind of product, so as to connect it to a known and established brand. This is buttressed by the fact that the appellant’s logo on its CONNIE MEN shower gel is strikingly different from its logo used on the CONNIE WOMEN brand, which bears a picture of Ms Constance Ferguson. Further, and unlike the CONNIE WOMEN brand, there is nothing on the CONNIE MEN range that indicates any association with Ms Constance Ferguson. For these reasons, it is not necessary to decide whether the respondent has proved a residual reputation in its wave-label. It suffices to say that on the facts, the CONNIE MEN shower gel and the respondent’s goods confusingly resemble each other, which resemblance includes a wave-label

¹² Boppert fn 10 at 8.

peculiar to the respondent. Consumers drawn to the appellant's product by, inter alia, the familiar trademark and expecting the respondent's product as before, cannot help but be deceived.

[32] Applying these principles to the present case, in my opinion, the overall appearance and format of the CONNIE MEN shower gel is confusingly similar to the respondent's NIVEA MEN products. As already stated, the consistent elements of the NIVEA MEN get-up are the respondent's NIVEA logo (in the colours blue, white and silver) at the top, followed by the word MEN in uppercase in a colour other than white, followed by the name of the product in an attractive colour, followed by a device representing the product range. The similarities in the overall appearance of the parties' get-ups are readily apparent:

- (a) The appellant's get-up is in the colours blue, white and silver, consisting of an elongated rectangular bottle with a blue base and silver lid. In the answering affidavit the appellant could not point to any other body care product that has a deep blue base and silver lid, which is part of the NIVEA MEN get-up and unique to the respondent.
- (b) The appellant uses a wave-styled label that is confusingly similar to the respondent's label, together with a silver border and a similar, if not identical, colour to the dark blue background of the respondent's wave-label.
- (c) The format of the printing on the front of both parties' containers begins with their respective trademarks in a white font, on a blue background with a silver outline.
- (d) Both containers contain an image below the description of the product which resembles a splash/wave-like graphic representation, which has rounded features and is of similar size, appearance and position.
- (e) The use of bright green lettering is prominent and similar to the lettering in the respondent's MAXIMUM HYDRATION shower gel get-up and the use of colours in the respondent's current get-ups.

[33] The similarities in the appellant's get-up are not only confusingly similar to the respondent's MAXIMUM HYDRATION shower gel get-up, but incorporate the basic elements which have been used throughout each one of the respondent's NIVEA MEN get-ups. Having regard to the degree of similarity, the use of different names does not make it 'perfectly clear' to the public that the appellant's product is its own, so as to exclude the probability of deception.¹³ The confusing similarity caused by the appellant's get-up is underscored by the following facts. The CONNIE logo depicted at the launch of the CONNIE MEN shower gel range (shown in paragraph 13 above) was a distinctive purple, as opposed to the practically identical shade of blue in the NIVEA MEN get-up, which the appellant now uses. The CONNIE MEN shower gel as launched, also did not have the format or layout of the label and overall appearance of the NIVEA MEN get-up. Neither did it have any bright green lettering, instead the lettering was light blue.

[34] For these reasons, the high court's conclusion that the CONNIE MEN shower gel was created from aspects of the get-ups of the respondent over time, calculated to pass it off as belonging to a range of the respondent's products, cannot be faulted. The appellant's and the respondent's products are confusingly similar and are sold largely through the same retail outlets. In these circumstances, the CONNIE MEN shower gel is almost certain to deceive and confuse the public, and likely to cause the respondent to suffer damages.

[35] Part of the respondent's claim of passing-off was that a member of the public, Ms Elizabeth Serrurier, had actually been confused into believing that the appellant's CONNIE MEN shower gel, which she bought on 25 July 2017, originated from the respondent. In her affidavit Ms Serrurier stated that she believed that the shower gel she had purchased was NIVEA MEN shower gel

¹³ *Blue Lion Manufacturing (Pty) Ltd v National Brands Ltd* [2001] ZASCA 62; 2001 (3) SA 884 (SCA) para 4.

because ‘of the colour and shape of the bottle and the overall get-up of the product’. A member of this Court asked the respondent’s counsel whether Ms Serrurier was an attorney employed by Adams & Adams, the respondent’s attorneys. After taking instructions, counsel confirmed that at the relevant time, Ms Serrurier had been employed by the respondent’s attorneys. He then rightly requested that her evidence be ignored.

[36] Counsel for the appellant submitted, correctly, that this was a serious and material non-disclosure on the part of the respondent’s attorneys. That Ms Serrurier was an attorney working for the respondent’s attorneys, was also not disclosed to the high court. It took into account her affidavit and referred to her as ‘a consumer’, in arriving at the conclusion that the appellant’s get-up exhibited signs of straining every nerve to evoke the respondent’s product in the minds of consumers. The respondent’s attorney of record is Mr Gerard du Plessis, the author of the letter of demand.

[37] Attorneys are required to discharge their professional duties with integrity, probity and complete trustworthiness. The failure by Mr Du Plessis to disclose to the high court and this Court, the fact that Ms Serrurier was employed by the respondent’s attorneys, prima facie, falls below these standards. So too, the non-disclosure by Ms Serrurier, even though she was not acting in a professional capacity when she purchased the CONNIE MEN shower gel. An appropriate order to address the non-disclosure will therefore be issued.

[38] In the result, the following order is issued:

- 1 The appeal is dismissed with costs, including the costs of two counsel, where so employed.
- 2 The Registrar of this Court is directed to forward a copy of this judgment to the Legal Practice Council, Pretoria, to investigate the circumstances in

which the respondent's attorneys, Mr Gerard du Plessis and Ms Elizabeth Serrurier, failed to disclose Ms Serrurier's association with the respondent's attorneys to the Gauteng Division of the High Court, Johannesburg and this Court, when filing an affidavit by her as a member of the public, and to take whatever steps it deems appropriate in the light thereof.

A Schippers
Judge of Appeal

Makgoka JA (dissenting)

[39] I have read the majority judgment prepared by my colleague, Schippers JA. Regrettably, I am unable to agree with its conclusion and the reasoning underpinning it. In my view the respondent had failed to establish the requisite reputation and goodwill in the get-up of its men's products. I also take a view that there is no likelihood of confusion between the parties' competing products. I would accordingly uphold the appeal with costs. Below I state briefly the reasons for my disagreement.

[40] The respondent, Beiersdorf AG (Beiersdorf), a German multinational company, is the proprietor of the well-known NIVEA trade mark, which it uses to market personal care products. The trade mark, which has been in use since 1925, comprises the brand name NIVEA in a white font across a blue background. Beiersdorf has undoubtedly established brand reputation and goodwill in its trade mark, which has over the years become distinctive of its Nivea products. However, as I demonstrate below, this case has less to do with that mark.

[41] The appellant, Koni Multinational Brands (Pty) Ltd (Koni), a South African company, is a fairly recent entrant in the personal care market. It made its entrance in June 2014 with beauty care products for women. It appears that Koni's brand was well received in the market, as within a year, its women's products were sold in almost all the prominent retail stores in the country.

[42] From the evidence of its advertising material, the success of the Koni brand seems attributable to the persona of Mrs Constance Ferguson, one of Koni's two directors. Koni's brand name CONNIE, is a shortened version of her name. It appears that she is well-known and hugely popular in social circles. She describes herself in the answering affidavit as 'a well-known South African actress, producer, presenter, model, philanthropist and celebrity to the people of South Africa.' It is therefore conceivable that when Koni's men's range was introduced in October 2015,¹⁴ it was primarily in order to capitalise on the success of the CONNIE women's range.

[43] In its founding papers, Beiersdorf alleged that Koni was competing unlawfully with it by passing off its goods as Nivea or as being connected to Nivea, by using a get-up which is confusingly or deceptively similar to the get-up used in respect of its NIVEA MEN products. I earlier remarked that the issue here is not about the NIVEA trade mark, but about the get-ups used by Beiersdorf on its NIVEA MEN products, which it claims reputation in, and which it alleges Koni had unlawfully appropriated.

[44] Although a trade mark is often part of the whole get-up, the two are not necessarily one and the same. The get-up generally refers to the configuration of individual elements in which products are shown. These elements typically

¹⁴ There seems to be some confusion in the papers as to the exact date, as somewhere reference is made to December 2015 as the date of the launch of Koni's men range. However, for present purposes, I assume the correct date to be October 2015, based on the promotional material for the launch event of the men's range.

include the shape, graphics, colour combination, overall packaging or display of the product, and whatever trade marks applied to a product. Although Beiersdorf seemed to conflate the two concepts in its founding affidavit, it correctly characterised its case in the replying affidavit as follows:

‘The visual elements of the Applicant’s [Beiersdorf’s] get-up comprises the NIVEA mark, used with the word MEN, the colours used in respect of its NIVEA MEN trade mark, the stylisation applied to the NIVEA MEN mark, the format and colours used in respect of the label applied to the product packaging and the colour, shape and size of the packaging used by the Applicant in respect of its range of shower gels and body lotions.’

[45] Beiersdorf has been marketing its men’s products since 1986, using its well-known NIVEA mark as described above, with the word MEN or FOR MEN in silver and in uppercase, and a silver bordering. The label applied to the NIVEA MEN mark has changed over the years, and so has the general get-up applied to the Nivea men’s products. However, the NIVEA trade mark has been constant throughout the evolution of the label. Beiersdorf says that between 2006-2008 it used the NIVEA mark in a rectangular label with a wave-styled base and silver outline (the wave label).

[46] Between 2010 and 2012, the wave logo was applied to the NIVEA MEN shower gel range in South Africa. This label was abandoned or discontinued in 2013, as Nivea adopted a new logo. Some two years later, in October 2015, Koni introduced its men’s body range using a label closely similar to Nivea’s discontinued wave label. This is the basis of Nivea’s case on residual reputation. The new logo adopted by Beiersdorf in 2013 for use on its Nivea body lotions and shower gel ranges is said to be reminiscent of the circular or oval shape first used in 1925. This is the label which was in use when Koni’s men’s products were brought onto the market.

[47] The requirements of passing off (in this case based on get-up) are well-settled. In order to succeed, Beiersdorf must first establish that it had acquired reputation in the get-up used on its NIVEA MEN products. In other words, it must demonstrate that the get-up used by it on its NIVEA MEN products had become distinctive of products in the sense that the public associates the get-up with those products. Secondly, Beiersdorf must prove that the get-up used by Koni on its shower gel is such or is so used as to cause the public to be confused or deceived into believing that there is an association between the respective products, or that Koni's products emanate from Nivea's proprietor.¹⁵ I discuss the two requirements, in turn.

[48] The relevant date for determining whether Beiersdorf had the necessary reputation in the elements of packaging and get-up in question was the date upon which Koni launched the CONNIE men's range in the South African market, that is, October 2015. The nature of the reputation that a claimant such as Beiersdorf has to establish was stated in *Reckitt & Colman Products Ltd v Borden Inc and Others* [1990] RFC 341 (HL) 406, lines 26-31:

'[H]e must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services.'¹⁶

[49] The get-up which is claimed by Beiersdorf to be distinctive, and relevant to the present case, is that which it applied to the following products: NIVEA MEN MAXIMUM HYDRATION 3-IN-1 BODY WASH (the body wash); NIVEA FOR MEN SHOWER GEL (the 'old' shower gel); NIVEA MEN

¹⁵ *Williams t/a Jennifer Williams and Associates v Life Line Southern Transvaal* 1996 (3) SA 408 (A) at 418D-H.

¹⁶ Referred to with approval in *Caterham Car Sales and Coachworks Ltd v Birkin Cars (Pty) Ltd and Another* [1998] ZASCA 44; 1998 (3) SA 938 (SCA); [1998] 3 All SA 175 (A) paras 21 and 22.

MAXIMUM HYDRATION BODY LOTION; and NIVEA MEN SHOWER GEL.

[50] The ‘old’ shower gel came in variants of ENERGY, SPORT, SENSITIVE and COOLKICK. Its container was blue in colour, with colour combinations of silver and white. It was of a roundish shape, and bore the NIVEA trade mark in the wave label, beneath which appears the word FOR MEN in silver, followed by the variant name in a particular colour, eg green for ENERGY, orange for SPORT and silver for SENSITIVE. The lid was also two-toned, predominantly blue, with a white edge at the top. A white and green splash-like device completes the get-up. This is the basis of Beiersdorf’s residual reputation claim.

[51] Although the get-up of its shower gel range has changed since 2012, Beiersdorf claimed that by the time it abandoned the get-up, which included the wave label, it had acquired reputation therein, and still had residual reputation in the former get-up of those products. It claimed a similar residual reputation in the get-up of the body wash, which was no longer on the market in South Africa by the time Koni introduced its products. The body wash also came in a blue container with colour combinations of silver, green and white. It bore the NIVEA trade mark in a circular shape, with the words MAXIMUM HYDRATION in green, followed by a white and green splash-like device. The shape of the container was rectangular and elongated. Its lid was silver, with a blue edge at the top.

[52] In respect of the current products, Beiersdorf claimed reputation in the get-up applied to NIVEA MEN MAXIMUM HYDRATION BODY LOTION (the body lotion) and the NIVEA MEN SHOWER GEL. The change in the get-up of the shower gel in 2013 had the effect that the new shower gel, for all practical purposes, is in every respect similar to the discontinued body wash described

above. It comes in variants of SPORT, COOLKICK, ENERGY, POWER FRESH and PROTECT & CARE. Like the old shower gel, each of the variants has a particular colour decoration and lettering, applied over a blue container. Underneath the NIVEA MEN mark is the variant name of each product, as stated above, in a different colour for each.

[53] The body lotion comes in a slightly broader rectangular container, also in blue. The lid, elongated and much narrower than the body of the container, is also silver with a blue edge at the top. The NIVEA MEN mark in an oval label is at the top underneath the lid. The words 'MAXIMUM HYDRATION' in green and prominent font, appear underneath the NIVEA MEN mark, followed by a white splash with a green round device.

[54] It is the get-up described above which Beiersdorf has to establish a goodwill or reputation in. It must prove that such get-up is recognised by the public as distinctive specifically of its NIVEA MEN products. In other words, Beiersdorf must show that the visual elements of its get-up, comprising of the NIVEA MEN mark as applied to the products, the packaging and the colour schemes, as described above, have come to be associated by the purchasing public as denoting exclusively Nivea's men's products.

[55] This must not be confused with NIVEA brand reputation, which, as already stated, is not in dispute. This distinction between reputation due to a trade mark and a reputation based on the general get-up is an important one, because failure to appreciate it is likely to lead one astray in approaching the issue in dispute. Unfortunately, the high court, with respect, conflated the two, as a result of which it approached the issue on a wrong footing. It said the following at para 15:

'There can be no doubt of the reputation of [Nivea] in the realm of body care products. I do not understand [Koni] to suggest that it is not a brand with considerable recognition worldwide, including South Africa.'

[56] As a general statement, the above is true of Beiersdorf's Nivea's brand reputation. But, as stated already, that is not the issue in this case. What Beiersdorf claimed was not reputation in the Nivea brand name, but the get-up it applied to its NIVEA MEN products. Kenny J explains it well in *Nutrientwater Pty Ltd v Baco Pty Ltd* [2010] FCA 2; 265 ALR 140; 84 IPR 452 at para 18:

'It is, moreover, not enough for NW [Nutrientwater] to show in general terms that it had a reputation in the NW Product Range. In order to succeed, NW must establish that, as at May 2009 when Baco entered the market, NW had a reputation in the features that it seeks to protect and that it claims were appropriated by Baco.'

And in *Gama Healthcare Limited v Pal International Limited* [2016] EWHC 75 (IPEC) Michaels J said (at para 48):

'The Claimant has a significant business in which it undoubtedly enjoys goodwill. I have no doubt that the trade name Clinell which is used consistently and prominently on the Claimant's goods has an established reputation and goodwill. However, the Claimant does not rely on the name. It is very much less clear that there is goodwill in the combination of indicia pleaded in the Particulars of Claim...'

[57] The inherent flaw in the high court's approach is that it conflated the Nivea brand reputation and reputation in the features or the get-up Beiersdorf sought to protect. Having made the obvious point referred to above, the high court failed to embark on an analysis of the claimed reputation in the get-up Beiersdorf applied to its products. Such an exercise was necessary to determine whether Beiersdorf had established its claimed reputation in the get-up applied to its NIVEA MEN products. Below I consider that aspect.

[58] Beiersdorf's Nivea products, the shower gel and the body lotion as described above, all come in blue containers. In its answering affidavit, Koni pointed out that other brands – Vaseline, Protex, Clere, Suave, Radox and Renew – use blue as the colour for their men's products. All of these products use a colour combination of blue and white. In its replying affidavit, Beiersdorf avoided

this issue completely. Looking at the products Koni pointed out, I observe that both Clere and Radox, like Nivea, also have green in their colour combinations. As a result, Beiersdorf cannot legitimately claim monopoly in the colour combination of blue, white and green as being distinctive of its NIVEA MEN products in the minds of consumers.

[59] Beiersdorf contended, however, that the use of the blue container with a silver lid had become distinctive of its NIVEA MEN products. It was at pains to point out that, among all other brands, only its products were sold in a blue container with a silver lid which, when used with its NIVEA trade mark and some varying decorative aspects, became distinctive of its men's products. Thus, the colour combination of blue, white, silver seem to form the basis of Beiersdorf's claim for reputation.

[60] Koni contended that over the years, the get-up applied to Beiersdorf's Nivea men's products has not been consistent. Indeed, this seems correct. When one has regard to the advertising material attached to the papers, it appears that the NIVEA MEN products have, over the years, been marketed in different get-ups consisting of various container shapes and colour combinations. Indeed, this is so. Beiersdorf has used different colour containers, including transparent, black, dark blue, and silver, decorated with combinations of white, navy, dark blue, light blue, yellow, orange, green and black. It has also marketed its products using different labels – wave, rectangular and circular labels.

[61] What has been the constant feature of the ever-changing get-up is the well-known NIVEA trade mark used in combination with the word MEN. In my view, this signifies that the attracting force to Beiersdorf's Nivea products, irrespective of the get-up applied to any product, is the well-known brand name and trade mark, NIVEA. There is nothing in Beiersdorf's consumer surveys to show that

its NIVEA MEN products were identified by the various get-ups in the form of colour combinations rather than they were by the NIVEA trade mark.

[62] The very fact that the get-up applied to NIVEA MEN products keeps changing, makes it unlikely that any one of those get-ups had stuck in the minds of the consumers as signifying Nivea products. It takes consistency and sufficient duration to build a reputation in get-up. Beiersdorf has maintained none of those in respect of the get-up it applied to its NIVEA MEN products. How Beiersdorf can contend for reputation in this ever-changing get up escapes me.

[63] With specific regard to the residual reputation, of which the wave label is a key feature, it is worth noting that the label was in use in South Africa for only about two years between 2010 and 2012. What is more, I find Vaseline's label not too dissimilar to Beiersdorf's wave label. Although Vaseline's wave label is slightly rounded as opposed to Beiersdorf's rectangular shape, the similarities are perceptible. The respective brand names are set in white against a similar blue background, with silver bordering. What is more, there is a strong resemblance between Vaseline's label and the one used by Beiersdorf in 2012 for its Nivea men's products. There is no suggestion that there were any passing off claims between Beiersdorf and the proprietor of Vaseline in respect of these labels. This destroys Beiersdorf's argument that the label was distinctive of its products.

[64] In light of the above, the reputation-denoting function which the well-known NIVEA mark fulfils within the get-up cannot be ignored. In my view, that mark is so distinctive that the notional customer is unlikely to have much regard to the colour combinations on the container and other markings or decorations, but mainly to the name 'NIVEA'. Accordingly, irrespective of the colour of the container or the colour combinations and decorations, it is almost impossible not to notice the distinctive NIVEA mark. I venture to suggest that were a notional

consumer asked how they identified Nivea shower gels and body lotions, the answer would most likely be that the NIVEA logo was the single most recognisable feature by which they identified the products.

[65] What is more, Beiersdorf's claim to reputation in its get-up is not supported by its own survey,¹⁷ in which the following observations are made:

'In South Africa NIVEA MEN is perceived as [a] modern and new and innovative brand. But overall, the image profiling is quite low for NIVEA MEN and also for the competitor brands. Also, in terms of NIVEA MENness, the profiling of NIVEA MEN and the competitor brands is quite flat. NIVEA MEN with a profile at modern and up-to-date but for strengthening the brand further distinctiveness should be build.'

The conclusion is telling:

'Strong No 1 position for NIVEA MEN but *yet a distinctive image profile is missing.*'
(Emphasis added.)

[66] I therefore conclude that the reputation which accrues to NIVEA MEN products is attributable to the NIVEA trade mark, and quite less to the other features of the get-up it applied to the products in issue. It follows that Beiersdorf has not succeeded in establishing any reputation (current or residual) it claimed in the various get-ups adopted in respect of its products over the years. Ordinarily, with this finding, it should be the end of the matter and it would not be necessary to consider whether Koni's shower gel was calculated to cause the public to be confused or deceived. However, given that this is the basis on which the majority decides the appeal, I state my views on the issue.

[67] A simple proposition in this regard is that the law of passing off is not designed to grant monopolies in successful get-ups. A certain measure of copying is permissible. Solomon J put it lucidly in the well-known passage in *Pasquali Cigarette Co Ltd v Diaconicolas & Capsopolus* 1905 TS 472 at 479:

¹⁷ NIVEA MEN Brand Health Tracking Summary South Africa February 2017 page 5.

‘A certain amount of imitation in these matters is perfectly legitimate. If one manufacturer sees that another manufacturer gets up his wares in a form which attracts the public, he is entitled to some extent to take a lesson from his rival and to copy the get-up provided that he makes it perfectly clear to the public that the articles which he is selling are not the other manufacturer’s, but his own articles, so that there is no probability of any ordinary purchaser being deceived. So long as it does that a certain amount of imitation is legitimate.’¹⁸

[68] The authors of *Dean & Dyer Introduction to Intellectual Property Law*¹⁹ point out that a get-up which is adopted by a trader falls within the public domain and can be used by other traders as long as they do not mislead in doing so and clearly distinguish their goods from those of the other trader. The misrepresentation, in other words, lies in a trader’s adopting a similar get-up to that of another and then not taking the necessary steps to differentiate his goods from those of the other traders. If he does take steps to differentiate, then there is unlikely to be misrepresentation and no confusion would result for consumers.

[69] The upshot of this is that Beiersdorf did not automatically obtain a monopoly in the get-up it applied to its NIVEA MEN products. The enquiry into whether there is a reasonable likelihood of confusion arising between NIVEA MEN and CONNIE MEN products should be approached with this principle in mind. Such an enquiry is factual, to be determined in the light of the circumstances of each case. It is also a value judgment based on first impressions.

[70] Therefore, the whole get-up of the competing products has to be considered. The court does not compare any single element of the entire get-up of each or even each element separately, but the overall impact of the entire get-up of each on potential customers. The consideration is one of first impression

¹⁸ See also *Blue Lion Manufacturing (Pty) Ltd v National Brands Ltd* [2001] ZASCA 62; 2001 (3) SA 884 (SCA) para 4; *Schultz v Butt* 1986 (3) SA 667 (A) at 681A-C; *ConAgra Inc v McCain Foods (Aust) Pty Ltd* (1992) 33 FCR at 345.

¹⁹ O Dean and A Dyer *Dean & Dyer Introduction to Intellectual Property Law* (2014) at 174.

rather than lengthy examination.²⁰ However, it is difficult to arrive at the overall impression without examining the individual elements and identify those that are most distinctive and have the greatest impact on potential customers.²¹

[71] I have already identified the Nivea products in respect of which Beiersdorf complains that Koni has imitated, namely the NIVEA MEN MAXIMUM HYDRATION BODY LOTION (the body lotion) and the NIVEA MEN SHOWER GEL (the shower gel). Koni's products, on the other hand, comprise three variants of both a body lotion and a shower gel. All of Koni's products were sold in a blue, 400ml container. They came in the same shape, which Koni called 'hexagon'. Koni's brand name, CONNIE, appears in a white, clearly visible font against what appears to be a deep purple background. The words 'Body Care', in small characters appear underneath the name, and they are separated by a solid line which forms knots in the middle.

[72] Beiersdorf claimed that Koni's shower gel had copied the get-up of Nivea's body lotion and shower gel. It would be recalled that in respect of the 'old' Nivea shower gel, the main complaint related to the use by Koni of the wave label as part of its get-up. In this regard, Beiersdorf made a side-by-side comparison of the two labels, and correctly pointed to the striking similarities in the formats of the labels. However, that exercise is unhelpful, as these are not trade mark infringement proceedings, where the enquiry is directed at a comparison between the registered mark as such and the allegedly offending mark as such, without any extraneous factors.

[73] In passing off proceedings, the court must consider all extraneous factors in reaching a conclusion that confusion is likely. The entire get-ups of the respective products are compared, including the shapes, the markings and the

²⁰ *Blue Lion* fn 7 para 3.

²¹ *Reckitt & Colman SA (Pty) Ltd v SC Johnson & Son SA (Pty) Ltd* 1993 (2) SA 307 (A) at 317C.

decorations on the products, as well as how the respective trade marks are applied to the products. The importance of this distinction is that care must be taken to exclude from the former enquiry facts and circumstances which are germane to the latter enquiry but irrelevant and inadmissible in the former.²²

[74] Accordingly, below I make a visual comparison of the whole get-ups of the competing products to determine whether there was a likelihood of confusion. The Energy shower gel shares some features with Koni's shower gel. Koni's shower gel also comes in a blue container, with a wholly silver lid, and the CONNIE mark in a wave label below the lid. The word MEN in white is followed by the word ACTIVE in green and a white splash-like device. Images of the respective products are displayed below. The first image depicts Koni's shower gel with 'old' Beiersdorf's Nivea shower gel range. The second image depicts Koni's shower gel among 'new' Beiersdorf's Nivea shower gel range, while the third image depicts Koni's shower gel side by side with Beiersdorf's discontinued body was and the current body lotion.



²² *Adidas Sportschuhfabriken Adi Dassler KG v Harry Walt and Co (Pty) Ltd* 1976 (1) SA 530 (T) at 531H-532A.



[75] It is especially the ENERGY variant of its ‘old’ shower gel range (the second product in the first image), the discontinued body wash (the first product in the third image) and the variant of the current body lotion (the third product in the third image) which Beiersdorf complained that Koni copied and applied their get-up to its shower gel. As stated already, in respect of the first two, Beiersdorf claimed residual reputation. It is not difficult why this is so. The products, more than other variants, share colour combinations of blue, white, silver and green with Koni’s shower gel. But, as pointed out already, as far as the colour green is concerned, Clere and Radox also use it in combination with predominantly blue and white.

[76] I commence with the use by Koni of the wave label on its products. There is no doubt that Koni took inspiration from Nivea’s wave label. It clearly copied

its format. But that is not the decisive issue. The question remains whether in adopting the format of Beiersdorf’s label, it distinguished its own label. In my view it has, by clearly and conspicuously applying its brand name CONNIE to the label, which clearly distinguishes it from Beiersdorf’s NIVEA MEN trade mark. The distinct trade names are the most prominent features of the respective marks. Whether the background to Koni’s label is purple, or blue as suggested by Nivea, is immaterial. Also, the word ‘MEN’ does not form part of the Koni label, whereas this is the case with the NIVEA mark.

[77] It must be emphasised that it was not Beiersdorf’s case that Koni had adopted a confusingly or deceptively similar trade name. Beiersdorf accepts that the parties’ respective brand names – CONNIE and NIVEA MEN – are not confusingly similar. Therefore, this case is different from those where a competitor adopts a mark resembling the applicant/plaintiff’s brand name.²³ Given the similarities in the labels, it would have been a different case had Koni adopted a name closer to Nivea, such as, for example, Nova or similar name.²⁴ But it adopted a completely distinct name, CONNIE. And how the marks were applied to the respective products as part of the overall get-up, is important, which is what I consider next.

[78] A cursory look at the get-up of the respective products reveals obvious similarities. The colour of the containers is blue, which I have already determined,

²³ This was the case, for example, in the following cases: *Century City Apartments Property Services CC & Another v Century City Property Owners’ Association* 2010 (3) SA 1 (SCA) (‘Century City’ and ‘Century City Apartments’); *Capital Estate and General Agencies (Pty) Ltd & Others v Holiday Inns Inc. & Others* 1977 (2) SA 916 (A); *3 Jerks Manufacturing CC v Vital Health Foods (Pty) Ltd* [2011] ZAWCHC 491 (Cholesterol Ease v CholesterolEase); *Ramsay Son and Parker (Pty) Ltd v Media 24 Ltd and Another* [2005] ZAWCHC 8; 2008 BIP 149 (C) (*Getaway v Wegbreek*); *10 Royal Berkshire Polo Club Trade Mark* [2001] RPC 643 (‘the Polo mark’); *Compass Publishing BV v Compass Logistics Ltd* [2004] EWHC 520 (Ch); [2004] RPC 41 (*Compass v Compass Logistics*); *Brian Boswell Circus (Pty) Ltd and Another v Boswell-Wilkie Circus (Pty) Ltd* 1985 (4) SA 466 (A) (*Brian Boswell Circus v Boswell-Wilkie Circus*).

²⁴ Contrast, for example, *Sea Harvest Corporation (Pty) Ltd v Irvin & Johnson Ltd and Another* [2011] ZAWCHC 35 (WCC), where, in addition to substantially copying the applicant’s get-up, the respondent had also adopted a confusingly similar trade name – ‘OVEN CRUNCH’ as compared to the applicant’s ‘OVEN CRISP’ (paras 43-47).

Beiersdorf has no monopoly over. The lids of the products bear a silver colour, although in respect of the Nivea products the lid is two-toned with a blue edge at the top. Koni's shower gel also shares the green lettering with Beiersdorf's Nivea body lotion. The latter has the words MAXIMUM HYDRATION in green. Koni's shower gel has the word ACTIVE clearly visible in green, and words 'Body, face and hair' also in green but very small, hardly visible letters. The competing shower gels share a splash-like device. Koni's is white, while Nivea's takes the colour used for a particular variant.

[79] I am prepared to accept that from these similarities, some consumers might momentarily and initially wonder or even be confused whether there is some connection between the respective products. While this type of initial confusion would be sufficient in trade mark proceedings, it is not for passing off. As pointed out in *Hoechst Pharmaceuticals (Pty) Ltd v Beauty Box (Pty) Ltd and Another* 1987 (2) SA 600 (A) at 619D-E, this type of confusion does not give rise to an action for passing off. Nicholas AJA cited with approval the following passage in Halsbury's Laws of England, 4 ed, Vol 48:

'Where the public is familiar with the plaintiff's goods or services of a particular kind, substantial numbers of persons may assume that competing goods or services offered by a newcomer are the goods or services of the plaintiff with whom they have hitherto been familiar, but confusion arising merely from this cause is to be disregarded.'²⁵

[80] The differences in the get-up of the products must also be considered to determine whether any would serve to distinguish them. The most obvious and immediately striking are the brand names, NIVEA MEN and CONNIE. The shapes of the containers are visually different. The 'new' Nivea shower gel range

²⁵ See also *Phones 4U Ltd v Phone4U.co.uk Internet Ltd* [2006] EWCA Civ 244, [2007] RPC 5 at 16.

is sold in rectangular shaped containers with distinct indentations on either side, clearly to make the handling easier. They come in 250 ml and 500 ml containers, whereas Koni's shower gel comes in a different shape as described already, and is only available in 400 ml containers. As between Koni's shower gel and Beiersdorf's body lotion, there clearly can be no doubt about the different shapes. The lid of Koni's shower gel is wholly silver, as compared to Nivea's products, which, as stated already, have a blue edge at the top.

[81] The high court rejected Koni's contention that whatever similarities there might be between the respective products, the brand names served to distinguish them from each and excluded the possibility of confusion. The issue received scant treatment by the high court, which said the following at paras 25 and 26:

'In relation to the differing names "NIVEA" and "CONNIE", which the respondent places emphasis on, it has been held that the use of different names in otherwise similar get-ups does not necessarily exclude the probability of deception.

In *Adidas Sportschuhfabriken Adi Dassler KG v Harry Walt & Co (Pty) Ltd* where two sport shoe brands were in issue, it was found, per Botha J, that notwithstanding the difference in name and the undeniable strength of one of the brands that there was still confusion. The learned Judge held:

"In my opinion, taking into account all the circumstances referred to above, the use of the different names in this case is insufficient to negative the deceptive effect on the buying public of the conspicuous similarities in the appearance of the respective goods of the plaintiff and the defendant". (Footnotes omitted.)

The high court also made reference to *Blue Lion Manufacturing (Pty) Ltd v National Brands Ltd* [2001] ZASCA 62; [2001] 4 All SA 235 (A) to support its conclusion.

[82] It is necessary to examine in some detail the two cases relied on by the high court. In *Adidas*,²⁶ the court found that the main feature of the get-up of Adidas' shoe was not the name, but its registered mark, comprising of three stripes, as applied to the shoe, which the court found had been copied by the competitor. At 538D-F the court remarked:

'Having regard to the similarities in the get-up of the plaintiff's and the defendant's shoes, I find that in appearance they look strikingly alike. I have already found that the trade marks by themselves, i.e. the three stripes and the four stripes respectively, positioned on the shoes as they are, are likely to cause deception or confusion. There is no doubt that the additional common features in the get-up, which are to be taken into account in the present enquiry, namely the serration of the edges of the stripes and the heel patch, heighten very considerably the likeness in the visual impression conveyed by the appearance of the shoes.' (Emphasis added.)

[83] With regard to the names on the shoes, the court found that the claimant's name, ADIDAS, was not a prominent feature of the get-up on the shoe, as it appeared on the side of the shoe, which the court considered 'not of a lasting nature'. The name was also used in conjunction with another fancy name, which, I assume, served to detract from the name. It is in the light of these considerations, in particular the less prominent display of the ADIDAS name, that the court found that the names on the respective products did not exclude the possibility of confusion. At 538H the court made an important observation:

'The use of different names in otherwise similar get-ups does not necessarily exclude the probability of deception; regard must be had to all the circumstances, including the degree of similarity of the get-ups without the manner in which the names are used (cf., e.g., Chowles & Webster, op. cit. at pp. 326-7, and the cases referred to there).' (Emphasis added.)

[84] Similarly, in *Blue Lion* there was no dispute about the similarity of the get-ups of the products in issue (biscuits). However, the appellant contended that the

²⁶ *Adidas Sportschuhfabriken Adi Dassler KG v Harry Walt & Co (Pty) Ltd* 1973 (1) SA 530 (T).

respondent's marks 'TENNIS', 'BAKERS' and the Bakerman logo, were distinguishable from its mark 'TEA LOVERS' and the Kquality Chef Device. The court found striking similarities between the marks (at para 7) and concluded (at para 19) that the Kquality Chef Device mark lacked prominence and that the 'TEA LOVERS' mark was designed with an attempt not to distinguish it from that of the complainant manufacturer, but rather to confuse the two.

[85] Given these observations, it is my view that the high court's reliance on *Adidas* and *Blue Lion* was inapt, out of context and without appreciating the reasoning in both. The cases are clearly distinguishable from the present case in that in both, the claimants' reputation was strongly based on the overall get-up without the prominence of a brand name. The defendants in both cases were found to have slavishly imitated the styles and representations of their competitors' marks and the overall get-ups. That was also the case in *F Hoffman-la Roche and Co AG and Another v DDSA Pharmaceuticals Ltd* 1969 FSR 410 (CA), a case which concerned capsules. The applicant's capsules had two distinctive colours, but the name of the product was hardly legible on the capsules. It was found that the shape and colours of the capsules were so distinctive that the notional customer would not have had regard to the name, but to the shape and colours only.

[86] That is not the case in the present matter, where the distinct brand names are conspicuously and prominently displayed on the competing products. As I demonstrate below, the high court's findings are at odds with authorities and views of leading authors, locally and abroad. A survey of those shows that it takes a strong case to establish passing off on get-up alone. This is because consumers

will not necessarily associate a get-up with a trader's product, but would likely use the trader's name for that purpose.²⁷

[87] In this regard, I consider the views of leading authors.

Dean & Dyer observe:

'Often the get-up of one product can be distinguished from that of another as a result of a very different trade name mark appearing on the packaging. Where a trade mark appears very prominently and clearly distinguishes the one product from the other, it would be difficult to sustain a passing off cause of action based on a similar get-up of the products. Where a trader feels that his get-up has been copied, but the copied product contains a very different trade mark, he would need to show: [t]hat his get-up has a reputation in itself that excludes the trade mark; and confusion on the part of the consumers is still possible despite the fact that the trade marks are so different. ... If the trade mark is very well known, the likelihood of confusion as a result of similarity between the respective get-ups is reduced.'²⁸

Webster and Page explain:

'Where the get-up has been used in conjunction with a name or other mark, the plaintiff faces a two-fold difficulty: first, in establishing his reputation in the get-up excluding the mark, and second, in showing that whatever mark the defendant has used in conjunction with the get-up does not exclude the likelihood of deception. The greater the reputation enjoyed by the defendant's word mark and the greater the degree of prominence it enjoys, the less the likelihood that the public will be misled by the use of a get-up which is similar to that of the plaintiff. ...'²⁹

Professor Wadlow sums up the point:

'The difficulty confronting the claimant in all actions for passing-off based on get-up is that it is unusual for one trader's goods to be distinguished from those of his competitors exclusively, or even primarily, by their get-up. Normally a brand name or other mark is chosen and given prominence and it is this on which consumers are expected and encouraged to rely. To make

²⁷ See *Interlego AG v Croner Trading Pty Ltd* (1992) 22 IPR 65 at 103-4; See also *Collins Debden Pty Ltd v Cumberland Stationery Co Pty Ltd (No 2)* [2005] FCA 1398 paras 33-34.

²⁸ *Dean and Dyer* at 174.

²⁹ C E Webster and I Joubert *Webster and Page South African Law of Trade Marks* 4 ed (2004) at 15-73 par 15.26.8.

out a case based solely on similarities of get-up the claimant must show that deception is likely to notwithstanding the absence of his own brand name on the defendant's goods and the likely presence there of the defendant's brand name and perhaps other distinguishing matter. Not surprisingly, the cases in which passing-off has been found have predominantly been ones of deliberate deception.³⁰

[88] The sum total of what these eminent authors emphasise is that the public is often more likely to focus on the brand name of a particular product rather than any other feature. Therefore, a competitor whose mark or name is clearly distinguishable from that of the other brand, is likely to avoid a finding of passing off. This approach has found expression in a number of decisions, stretching back to the turn of the last century. I consider a few below.

[89] In *Schweppes Ltd v Gibbens* (1905) 22 RPC 601 (HL), the court considered rival soft drinks which were sold in similarly embossed bottles bearing labels of very similar shape, design and colour scheme, and wording in a similar layout and font. However, the products respectively bore the distinctively different brand names 'SCHWEPPE'S' and 'GIBBENS' prominently on the label. Lord Halsbury LC held at 606-7:

'The question that we have to determine is whether in selling the bottle a person is likely to be deceived by the resemblance of the one thing to the other; and if a person is so careless that he does not look, and does not ... "treat the label fairly," but takes the bottle without sufficient consideration and without reading what is written very plainly indeed upon the face of the label on which the trader has placed his own name, then you certainly cannot say he is deceived...'

[90] *W H Burford & Sons Ltd v G Mowling & Son* (1909) 8 CLR 212 concerned laundry soaps. The plaintiff marketed its soap under the name SIGNAL SOAP. Later, the defendant entered the market using the name TULIP SOAP. The defendant's packaging was of the same material, shape, size, and colour and

³⁰ C Wadlow *The Law of Passing-Off: Unfair Competition by Misrepresentation* 4 ed (2011) at 8-133.

‘general get-up’ as that of the plaintiff’s soap. In a claim for passing off by the plaintiff, it was held (at 218-219) that the special characteristic that distinguished the plaintiff’s soap from what was common to the trade was the description SIGNAL SOAP appearing in large letters on its face; and that while the defendant’s packaging was of the same material, shape, size, and colour and ‘general get-up’ as that of the plaintiff’s soap, the distinguishing characteristics of the two products – the names of the products printed on the cartons – were sufficient to make it ‘impossible for anyone who can see to mistake the defendant’s package for the plaintiff’s; and that this was so despite similarities in the ‘general shape and form of the lettering on the other sides of the packages’. The plaintiff’s claim was accordingly dismissed.

[91] In *Reckitt & Colman SA v SC Johnson & Son SA (Pty) Ltd* 1993 (2) SA 307 (A) the parties competed in metal polishes. The appellant manufactured and marketed its well-known Brasso metal polish under a distinctive get-up in metal containers. Brillo, also a well-known trade mark, had been used in connection with scouring pads, but later manufactured and sold a brass polish. Brasso complained that Brillo had consciously adopted the identical type of container used by it for some of its products. Despite the products sharing similarities in get-up, Harms JA did not find a reasonable likelihood of confusion between the products because ‘each container is clearly marked with the respective trade marks which are not deceptively or confusingly similar...’ (para 318G-H).

[92] In *Moroccanoil Israel Ltd v Aldi Stores Ltd* [2014] EWHC 1686 (IPEC) reliance was placed on a combination of a trade name and get-up. The court found no passing off notwithstanding the clear similarities in the get-up of two hair products. The claimant made and sold hair products, including a hair oil marketed under the name ‘MOROCCANOIL’. The defendant brought onto the market a hair oil product under the name ‘MIRACLE OIL’. The two products had very

similar get-up, including the turquoise colour; the orange graphics; the shape of the bottle; and the colour of the bottle and cap. In a passing off claim, the key issue was whether or not a misrepresentation had occurred. At para 31 the court remarked:

‘Goods are almost always referred to by their trade names, not their get-up. Get-up may play a greater role in the recall and recognition of a particular product, but if the respective names of the claimant’s and defendant’s goods are distinctive, a misrepresentation by reason of similar get-up is likely to depend on the relevant public not noticing the name on the defendant’s product, or on a label attached to it...’

After considering the evidence, the court concluded that the claimant’s goodwill was attached primarily to the name ‘MOROCCANOIL’ (and not the get-up alone) and accordingly found that there was no misrepresentation and therefore no passing off.

[93] Lastly, in *Gama Healthcare* the court considered a case of passing off between competitors in disinfectant and detergent wet wipes. The claimant, Gama, complained that the get-up of the defendant, PAL’s Medipal disinfectant and detergent wet wipes was so similar to the packaging of its Clinell wipes that it was likely to lead members of the trade to believe that the PAL’s wipes were those of Gama or otherwise connected with it. The goodwill claimed lay in the use of certain colour combinations. The court observed, among other things, that the shade of green used on both parties’ disinfectant wipe packages ‘is extremely similar if not identical, and there is (in broad terms) a similar use of white horizontally across the front of the package.’

[94] Based upon those features alone, the court concluded, ‘there would be a possibility for deception based upon imperfect recollection, or an assumption that one pack is an updated version of the other.’ Despite these observations, and after identifying certain differences in the packaging of the competing products, the

court concluded the main distinguishing features were the distinctive brand names of the products. Michaels J concluded (at para 55d) that ‘[t]he parties’ very different trade names are clearly present on the front of the packs. Indeed, both parties use their names prominently on the upper side of the pack...’³¹

[95] Back to the present case, the most prominent feature of the Koni’s shower gel get-up is the CONNIE mark, which, as I have already said, is different and distinct from the Beiersdorf’s famous NIVEA mark. The latter, in turn, is the most prominent feature of the get-up of NIVEA MEN products. In my view the parties’ respective marks, together with the different features of the respective get-ups referred to earlier, serve to distinguish the products from each other, ie Koni’s shower gel from Beiersdorf’s NIVEA MEN products. These features clearly identify the product in such a way that the notional purchaser of the products in issue would not be misled.

[96] Indeed, it would take a particularly careless purchaser to end up with a Koni shower gel instead of Beiersdorf’s Nivea body lotion or shower gel. To purchase a wrong product, such a purchaser would have to totally ignore the CONNIE trade mark so clearly and prominently displayed on the Koni shower gel. That is not the postulated notional consumer when one is concerned with alleged passing off by imitation of get-up, who is ‘neither the very careful nor the very careless buyer, but an average purchaser’, as explained in *Blue Lion* at para 3.³²

³¹ See also *Nutrientwater Pty Limited v Baco Pty Limited* [2010] 2 FCA 2; *Pioneer Foods (Pty) Limited v Bothaville Milling (Pty) Limited* [2014] ZASCA 6; [2014] 2 All SA 282 (SCA) paras 11 and 13; *George East Housewares Ltd v Fackelmann GmbH & Co KG & Anor (Rev 1)* [2016] EWHC 2476 (IPEC) para 34; *Quad Africa Energy (Pty) Ltd v The Sugarless Company (Pty) Ltd and Another* [2020] ZASCA 37; [2020] 2 All SA 687 (SCA); 2020 (6) SA 90 (SCA) para 38.

³² See also *Norman Kark Publications Ltd v Odhams Press Ltd* [1962] 1 WLR 380 at 383.

[97] One should also consider the class of customers who are likely to purchase the goods and accordingly, who the notional average purchaser is likely to be, in other words, the potential end customers.³³ In the present case, judging by the promotional material adduced by both parties in support of their respective cases, the end customer would most likely be an urbane and discerning man with some brand awareness and loyalty.

[98] It can therefore not seriously be suggested such a purchaser would identify NIVEA MEN products with reference only to the colour combination of blue, white, silver or any colour. If anything, given the reputation Beiersdorf has built around its well-known, distinctive NIVEA trade mark, I perceive that the notional purchaser would likely identify any of Beiersdorf's Nivea products, including its NIVEA MEN products, by that trade mark, which, as I have already said, is the immediate striking feature of all its products, irrespective of the get-up applied to any product. I would venture to say that any beauty product, irrespective of its shape, colour, or overall get-up, would be associated with Beiersdorf in the mind of relevant public as long as it is embossed with the well-known distinctive blue, white and silver NIVEA trade mark.³⁴

[99] To hold, as the high court did, that that trade mark would not serve any distinguishing function to prevent a misrepresentation, ignores the essential function of a trade mark, which is that it is a badge of origin.³⁵ It is unsurprising that Beiersdorf did not rely on trade mark infringement. Its case would have been doomed to fail, as the respective trade marks are undeniably distinct and not confusingly similar.

³³ See *Premier Trading Co Ltd & Another v Sporttopia (Pty) Ltd* [1999] ZASCA 48; 2000 (3) SA 259 (SCA) at 273B.

³⁴ In *Daimlerchrysler AG v Alavi* [2000] EWHC Ch 37 para 19 where Pumfrey J captured the applicant's submission thus, 'Essentially, anything marked MERCEDES or MERCEDES BENZ would be associated with DaimlerChrysler in the minds of the relevant public.'

³⁵ Compare, for example, *Converge (Pty) Ltd v Woolworths Ltd* 2003 BIP 292 (C) at 298.

[100] Thus, irrespective of any similarities there might be in the get-ups of the respective products, it must be borne in mind that beauty products, in this case shower gels, are ordinary articles of consumption. By their nature, products of different manufacturers will bear some resemblance to each other, as demonstrated with reference to other products in paras 58 and 75 above. What is important is for each trader to distinguish their products so as to avoid confusion. To my mind, the adoption by Koni of its CONNIE trade mark, contrasted to Beiersdorf's well-known NIVEA trade mark, immediately directs the public's attention to the fact that they are dealing with a different product and not Beiersdorf's. Koni's trade mark was undoubtedly designed to distinguish its products from those of other brands. In the result I conclude that there is no likelihood of confusion between Beiersdorf's and Koni's respective products.

[101] Lastly, I consider the issue of actual confusion. In its endeavour to prove this, Beiersdorf put up as evidence an affidavit of Ms Elizabeth Serrurier as an average consumer who had mistakenly bought the Koni shower gel thinking it was a Nivea product. What Beiersdorf failed to disclose was that Ms Serrurier was an attorney associated with Adams and Adams, its attorneys of record. This was only disclosed in this Court during the hearing, when a member of the bench enquired from counsel whether Ms Serrurier was attached to Beiersdorf's attorneys of record, which counsel confirmed. Beiersdorf knew very well that had it disclosed Ms Serrurier's true identity, her evidence would have carried little, if any weight at all. In the absence of any explanation, an irresistible inference must be that this was a conscious effort to mislead the court.

[102] By reason of her association with Beiersdorf's attorneys, Ms Serrurier was not truly within the class of ordinary consumers. It follows that her evidence must be discarded, and the case be approached on the basis that there was no actual confusion. Although the absence of actual confusion is not fatal, it is not

insignificant. There is always value to such evidence, especially where, as is the case here, Beiersdorf had the opportunity to present it (if it existed). There is also nothing in Beiersdorf's evidence of marketing or consumer survey during the relevant period to indicate that there might have been any material confusion amongst consumers as to the trade source of Koni products.

[103] It must be borne in mind that Koni's shower gel was introduced to the market in October 2015. The application for an interdict was launched over two years later, in December 2017. By the time the last affidavit in the application was filed in August 2018, the competing products had been sold side by side for two years and ten months – almost three years. Given this lengthy period during which Koni's men's shower gel has been on the market, if there had been any confusion, Beiersdorf would have found evidence of it. The absence thereof is very material unless satisfactorily explained.³⁶ Given that there is no explanation, the ineluctable conclusion must be that there simply was no confusion. The fact that Beiersdorf was so desperate to the point of presenting misleading evidence, fortifies this conclusion.

[104] In *Pioneer Foods (Pty) Limited v Bothaville Milling (Pty) Limited* [2014] ZASCA 6; [2014] 2 All SA 282 (SCA), it was observed that it is commonplace for parties who fear that passing off is taking place to send agents to suppliers to make test purchases and see if they can detect cases of confusion. Another method identified by the court for detecting confusion is to undertake properly constructed consumer surveys (at para 26). None of these was done in this case.

³⁶ See *Glaxo Wellcome UK Limited and Anor v Sandoz and Ors* [2019] EWHC 2545, referring to *Kerly's Law of Trade Marks and Trade Names* (16th ed) at 23-020.

[105] In sum, I conclude that Beiersdorf had failed to make out a case of passing off in respect of Koni's shower gel, on both legs, ie to prove reputation in its get-up and to establish the likelihood of confusion between its products and those of Koni. In respect of the latter, my value judgment, based on my first impression of the products, is that there is nothing confusingly similar between them. In a constitutional context such as ours, which guarantees freedom of trade, among others, Beiersdorf's rights in protecting the commercial advantages flowing from its efforts and investment must be balanced against Koni's right, without misrepresentation, to attract purchasers for its products by what appears to it to be an effective means. Also, there is the right of the consumer, without being deceived, to select between competing goods.

[106] In all the circumstances, I would uphold the appeal with costs of two counsel where so employed, and substitute the order of the high court with one dismissing the application with costs of two counsel. I agree with the order of the majority to refer the conduct of Beiersdorf's attorneys to the Legal Practice Council for investigation.

T M Makgoka
Judge of Appeal

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