

**SAFA v Stanton Woodrush (Pty) Ltd t/a Stan Smidt & Sons and another  
[2002] 2 All SA 617 (T)**

**Division:** Transvaal Provincial Division  
**Date:** 29 November 2001  
**Case No:** 19821/2000  
**Before:** Spoelstra J  
**Sourced by:** M.Snyman and D.Cloete  
**Summarised by:** D.Harris

**Parallel Citation:** [2002 \(2\) SA 236](#) (T)

. [Editor's Summary](#) . [Cases Referred to](#) . [Judgment](#) .

*[1] Intellectual property - Trade marks - Registration of - Application for removal from register - Locus standi of applicant - Applicant not entitled to removal of trade mark where its own registration thereof was not supported by an intention to use the trade mark in relation to goods and services in classes in which mark was registered.*

### Editor's Summary

The Applicant applied for an order to *inter alia*, remove a trade mark registration number in the name of the First Respondent, from the register of trade marks. A voluntary association, the Applicant was responsible for the management, administration, control and selection of the South African national soccer team. The First Respondent was a wholesale distributor of footwear and clothing.

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In 1993 the First Respondent applied for the registration of the trade mark "Bafana Bafana", in a class which encompassed all usage of the trade mark for clothing and shoes throughout South Africa. The name in question was the name of the national soccer team. It was common cause that the First Respondent was the first party to apply for registration of this trade mark. It was only in 1997, that the Applicant began registering the trade mark in various classes.

The First Respondent disputed the Applicant's *locus standi* to institute the present proceedings. It contended that in order to have *locus standi* to institute the proceedings, the Applicant had to show that, as at the date of the institution of the proceedings, it was a "person aggrieved" within the meaning of [section 33\(1\)](#) of the Trade Marks Act [62 of 1963](#) or an interested person within the meaning of [section 24\(1\)](#) of the Trade Marks Act 194 of the 1993.

**Held** - The cases relevant to the Respondent's argument on *locus standi* established that a "person aggrieved" referred to a party who was in some way substantially interested in having the mark removed from the register. Similar principles applied to the new Act.

In contending that the Applicant was not an aggrieved person, the First Respondent argued that the Applicant had registered the trade mark in question in a variety of classes, many of which related to services and goods in respect of which the Applicant could never have really intended to use the trade mark. Although not arguing that it intended to use the trade mark in relation to all such goods and services, the Applicant alleged that it had entered into licensing agreements with third parties, and the trade mark was to be used in that manner. However, there was no evidence showing how the mark had been used by any third party in relation to licensed goods or services at any time. There was also no evidence of the alleged licensing agreements. Moreover, there was no evidence that such agreements had pre-dated the First Respondent's application for the registration of the trade mark.

The Court noted that the name of the trade mark was associated with the team elected to play a particular international match and not with the Applicant. There was no sound reason why intellectual property associated with the national team was *ipso facto* owned by the Applicant.

The definition of a trade mark in the new Act refers to a mark used by a person in relation to goods or services, for the purpose of distinguishing them from the same kind of goods or services connected in the course of trade with any other person. A trade connection between the proprietor and the goods or services bearing the trade mark is a fundamental function served by a trade mark. There was nothing indicating that the Applicant would ever make use of the trade mark in question. The Respondent's argument regarding *locus standi* was therefore upheld.

### Notes

For Intellectual property law see LAWSA Reissue (Vol 20(1), paras 55 - 91)

### Cases referred to in judgment

("C" means confirmed; "D" means distinguished; "F" means followed and "R" means reversed. HN refers to corresponding headnote number.)

*Danco Clothing (Pty) Ltd v Nu-Care Marketing Sales and Promotions (Pty) Ltd and another* [1991 \(4\) SA 850](#) (A)

*Ritz Hotel Ltd v Charles of the Ritz Ltd and another* [1988 \(3\) SA 290](#) (A)

*Valentino Globe BV v Phillips and another* [\[1998\] 4 All SA 1](#) ([1998 \(3\) SA 775](#)) (A)

*Victoria's Secret Inc v Edgars Stores Ltd* [1994 \(3\) SA 739](#) (A)

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### Judgment

#### SPOELSTRA J:

This is an application for an order to remove trade mark registration number B93/0581 "Bafana Bafana", in the name of the first respondent, from the register of trade marks, to direct the second respondent to rectify the register of trade marks accordingly, and for an order that the first respondent should pay the costs of the application.

The applicant is the South African Football Association which is described in the papers as a voluntary association with legal personality, *locus standi in iudicio*, perpetual succession and the power to acquire property and incur obligations. The applicant promotes, advances, administers, controls and encourages the game of association football (soccer) in the Republic of South Africa. This includes the management, administration, control and selection of the national soccer team that represents the country.

The first respondent, who trades as Stan Smidt and Sons, is a wholesale distributor of footwear and clothing. The second respondent is the Registrar of Trade Marks who is cited in his official capacity. No substantive relief is being sought against the Registrar.

On 28 January 1993 the first respondent applied for the registration of the trade mark "Bafana Bafana" in class 25, which encompasses all usage of the trade mark for clothing and shoes throughout South Africa. It is undisputed that the first respondent was the first party to apply for registration of this trade mark. On 20 April 1998 this trade mark was registered (B93/0581) in the name of the first respondent in terms of the Trade Marks Act [62 of 1963](#) in respect of "clothing including boots, shoes and slippers". The applicant contends that this registration was wrongly effected and that it should be removed from the register of trade marks.

On 23 September 1994 a company, Kappa Holdings Ltd, filed applications for the trade marks Bafana Bafana and Bafana under applications 94/10323 and 94/10324 in class 25. This application postdated the filing of the first respondent's applications by about 18 months.

On 10 September 1997 the applicant obtained registration of the trade mark "Bafana Bafana" in class 1 to 24 and class 26 to 42. The registration was only issued on 30 June 2000. On 26 November 1997 the applicant also applied for the registration of the trade mark Bafana and football device in classes 1 to 45 including class 25 in respect of clothing, footwear and headgear. These latter applications are still pending. During July 1996 Kappa assigned its rights in and to the trade mark applications to the applicant. The applicant procured the substitution of the applicant as applicant of these marks.

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The first respondent disputes the applicant's *locus standi* to institute these proceedings. If this contention is correct the matter ends there. It should therefore be considered first.

The first respondent contends that in order to have *locus standi* to institute these proceedings the applicant must show that, as at the date of the institution of the proceedings, it was a "person aggrieved" within the meaning of [section 33\(1\)](#) of the Trade Marks Act [62 of 1963](#) ("the old Act") or an interested person within the meaning of [section 24\(1\)](#) of the Trade Marks Act 194 of the 1993 ("the new Act"). The new Act commenced on 1 May 1995 and repealed the old Act.

I do not consider the change of wording of "person aggrieved" in [section 33\(1\)](#) of the old Act to "interested person" in [section 24\(1\)](#) of the new Act of any real significance in this matter. It is clear from the cases which considered the term "person aggrieved" that it refers to persons "who are in some way or other substantially interested in having the mark removed from the register" (*Ritz Hotel Ltd v Charles of the Ritz Ltd and another* [1988 \(3\) SA 290](#) (A) at 308A-B) and "a genuine and legitimate competitive interest in the trade to which the offending mark relates" (*Danco Clothing (Pty) Ltd v Nu-Care Marketing Sales and Promotions (Pty) Ltd and another* [1991 \(4\) SA 850](#) (A) at 855C-D). In *Valentino Globe BV v Phillips and another* [1998 3 SA 775](#) (A) at 781 Harms JA states:

"The *onus* rests upon the applicant for removal to establish, as a reasonable possibility, that he is a person aggrieved. For this purpose it is assumed that the trade mark is wrongly on the register. A wide and liberal interpretation is given to the term 'person aggrieved'. The applicant must have a substantial interest in the mark or must substantially be damaged by it remaining on the register. The fact that the registered mark constitutes an obstacle to the registration of a mark applied for by the applicant is *prima facie* evidence of an interest, but if that application for registration was in bad faith, vexatious or without any substance, the *prima facie* inference is

negated."

By abandoning the term "person aggrieved" and embracing the term "interested person" in the new Act, the legislature has simply embodied in the legislation the test applied by the court when investigating whether or not a person was aggrieved by the registration of a trade mark. The same considerations seem to apply as did before the new legislation came into force. I shall approach the matter on this basis.

Mr Cullabine on behalf of the first respondent first contends that the applicant's actions in filing and prosecuting trade mark applications, engaging in so-called licensing activities and instituting these proceedings are all *ultra vires* the provisions of the South African Sports Commission Act 109 of 1998 and the National Sport and Recreation Act [110 of 1998](#). I find nothing in any of these Acts to support this submission. On the contrary, section 12(1)(h) of Act 109 of 1998 expressly states that it is an object of the South African Sports Commission to respect the economy of sports organisations in the administration of sports. Insofar as the first respondent relies on the fact that the applicant failed to place before the court its constitution and its powers and authority to engage in the activities referred to, it was never put in issue on the papers. Nor has the allegation in paragraph 2.1 of the founding affidavit

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to the effect that the applicant has

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the power to acquire property and incur obligations been denied. This would clearly relate not only to corporeal property but also to intellectual property. Insofar as the first respondent relies on these facts it seems without merit. In the contention that the applicant is not an aggrieved person the first respondent relies on the following facts: the applicant applied for registration of the trade mark Bafana Bafana in all classes for which trade marks protection can be obtained with the exception of class 25 which covers clothing and footwear. The classes for which the applicant applied for registration cover a vast array of goods and services ranging from chemicals used in industry and horticulture to paints, oil and grease, pharmaceuticals, surgical apparatus, cooking apparatus, firearms, rubber, building materials, services relating to packaging of goods, beauty care, computer programming and medical, dental, optometric and legal services. It is submitted that it is self-evident that the applicant itself could never have intended to use these marks in relation to the goods and services covered by these applications, nor could it have been intended to use the mark for all these goods and services through licensees. Nowhere does the applicant state that it has ever manufactured any goods whatsoever under the Bafana Bafana trade mark nor that it intends to do so. It is only averred that the applicant engaged in a licensing program and has in this way used the Bafana Bafana trade mark. There is no evidence showing how the mark Bafana Bafana has been used by any third party in relation to licensed goods or services at any time. There is no evidence from any licensee who claims to have or still use the trade mark.

There is no evidence of licensing agreements attached to the founding affidavit. The only averments relating to licensing or sponsorships which are dated or in any way related to a time frame are in respect of Kappa Holdings. The applicant's deponent states that Kappa was the first to utilise the trade mark Bafana Bafana on shoes and clothing and that this use commenced in 1992. There is no supporting evidence for this allegation which is obviously hearsay evidence. Reliance is therefore placed on a letter written by Kappa's attorneys. The allegations contained in this letter are obviously based on instructions received from their clients and not on the attorneys' own knowledge. These allegations are hence inadmissible evidence and should therefore be disregarded. Accordingly there is no evidence whatsoever contained in the founding affidavit that Kappa ever used the trade mark Bafana Bafana on clothing, footwear or headgear. Such evidence as can be found shows that Kappa used its own name on clothing including gear used by the National Soccer Team.

In an effort to strengthen its case the applicant alleges that it negotiated or entered into sponsorship or merchandise licensing agreements involving the authorised use by third parties of the applicant's trade mark Bafana Bafana with a series of sponsors and licensees. These third parties include SAB, Total, Edgars Ltd, South African Airways, Adidas SA (Pty) Ltd, Sasol, the Coca-Cola company, the South African Broadcasting Corporation and Nas Media Ltd. When requested to produce such agreements for inspection the applicant was unable to do so. The same applies to the goods manufacturers listed in Annexure RH139 with whom the applicant allegedly negotiated licences. There is

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no concrete evidence that any of these negotiations materialised in contracts or that any of these manufacturers used the trade mark in relation to any of the goods manufactured or services rendered by them. There is no evidence indicating that any of these alleged negotiations or licensing arrangements had been concluded

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prior to the first respondent's application. The first respondent also points out that in its evidence the applicant proceeds on the basis that the applicant and the South African National Football Team are one and the same. This is not the case. The National Soccer Team is selected for each match to represent the country. The nickname "Bafana Bafana" is associated with the team elected to play a particular international match and not with the applicant. The team is not a legal entity. There is no sound ground why intellectual property associated with the national team is *ipso facto* owned by the applicant. This is clearly not the case.

In terms of the definition of a trade mark in the new Act it means a mark used or proposed to be used by a person in relation to goods or services for the purpose of distinguishing the goods or services in relation to which the mark is used or proposed to be used from the same kind of goods or services connected in the course of trade with any other person. The definition in the old Act conveys the same purpose of a trade mark. It serves first as a badge of origin and secondly as a feature distinguishing the goods of one party from those of another. A trade connection between the proprietor and the goods or services bearing the trade mark is a fundamental function served by a trade mark. There is nothing indicating that the applicant will ever make use of the trade mark nor is there any suggestion that the applicant or any licensee will ever produce a "Bafana Bafana" brand of clothing as opposed to mere embossment of the nickname on clothing or indeed any other goods.

The applicant's claim to proprietorship of the trade mark is according to this argument, not a bona fide claim. It can only be a bona fide claim if the applicant has originated, acquired or adopted it and has used it to the extent that it has gained the reputation as indicating that the goods in relation to which it is used are his or if it has not been used to the requisite extent suffice [*sic*] the applicant proposes to use it (*Victoria's Secret Inc v Edgars Stores Ltd* 1994 (3) SA 739 (A) at 744I-745G). Factors relevant in the determination of an applicant's claim to proprietorship of a trade mark would include dishonesty, breach of confidence, sharp practice or the like (ibid at 747H-I). This statement will obviously include marks registered without any intention to use them as trade marks but for the purpose of precluding others from using such marks as trade marks. Such conduct is obviously malicious, vexatious and in bad faith. This seems to be the only reasonable inference that can be drawn from the applicant's umbrella applications for registration of the trade mark and its inability to show any user of the trade mark either by itself or through a licensee. There is also no evidence of an intention by the applicant to use it in the future as a trade mark for its goods in its business dealings. In my view the contentions submitted on behalf of the first respondent to the effect that the applicant has failed to prove its *locus standi* are sound. The application should therefore fail.

The application is dismissed with costs.

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For the applicant:

*Information not available*

For the respondent:

*Information not available*

#### **Footnotes**

1 Also reported at [\[1998\] 4 All SA 1](#) (A) - Ed.