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THE PRESIDENCY

No. 1359

14 December 2001

It is hereby notified that the President has assented to the following Act, which is hereby published for general information:—

No. 50 of 2001: Merchandise Marks

Amendment Act, 2001



Act No. 50, 2001

MERCHANDISE MARKS AMENDMENT ACT, 2001

GENERAL EXPLANATORY NOTE:

| [|] | Words in bold type in square brackets indicate omissions from existing enactments. |
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| | _ | Words underlined with a solid line indicate insertions in existing enactments. |
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(English text signed by the President.) (Assented to 7 December 2001.)

ACT

To amend the Merchandise Marks Act, 1941, so as to define an expression and to amend certain definitions; to make further provision regarding the application of trade descriptions to goods and the alteration of trade marks; to clarify the scope of the Act in its application to trade marks; and to prohibit the unauthorized use of the national flags, armorial bearings and other official signs of Convention countries; and to provide for matters connected therewith.

B^E IT ENACTED by the Parliament of the Republic of South Africa, as follows:-

Amendment of section 1 of Act 17 of 1941, as amended by section 1 of Act 39 of 1952, section 1 of Act 47 of 1954, section 1 of Act 49 of 1996, section 1 of Act 54 of 1987 and section 1 of Act 38 of 1997

1. Section 1 of the Merchandise Marks Act, 1941 (Act No. 17 of 1941) (hereinafter referred to as the principal Act), is hereby amended-

(a) by the insertion after the definition of "apply to" of the following definition: " 'convention country' means any country or group of countries declared a convention country or convention countries in terms of section 63 of the Trade Marks Act, 1993 (Act No. 194 of 1993);";

(b) by the substitution for the definition of "device" of the following definition: "'device' means any visual representation or illustration capable of being reproduced upon a surface, whether by printing or otherwise, but does not include a trade mark;";

(c) by the substitution for the definition of "mark" of the following definition: "'mark' [includes a trade mark and, for the purposes of subsection (1) of section eight and section nine, a mark used upon or in connection with goods for the purpose of indicating that they are the goods of the proprietor of the mark by virtue of manufacture, 20 production, selection, dealing with or offering for sale] means any sign capable of being represented graphically, and includes a device, name, signature, word, letter, numeral, shape, configuration, pattern, ornamentation, colour or container for goods or any combination of the aforementioned, but does not include a trade mark;";

(d) by the substitution for the definition of "name" of the following definition: " 'name' includes an abbreviation or addition to a name, but does not include a trade mark;";

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- (e) by the substitution for the definition of "trade description" of the following definition:
 - "'trade description' means any description, statement or other indication, direct or indirect, as to the number, quantity, measure, gauge or weight of any goods, or as to the name of the manufacturer or producer or as to the place or country in which any goods were made or produced, or as to the mode of manufacturing or producing any goods, or as to the material of which any goods consist, or as to any goods being the subject of an existing patent, privilege, or copyright, and includes any figure, word or mark which, according to the custom of the trade, is commonly taken to be an indication of any of the aforementioned matters, but does not include a trade mark;"; and
- (f) by the substitution for the definition of "trade mark" of the following definition:
 - "'trade mark' means a [registered] trade mark as defined in section 2(1) 15 of the Trade Marks Act, 1993 (Act No. 1944 of 1993), and includes a well-known trade mark contemplated in section 35 of that Act.".

Amendment of section 6 of Act 17 of 1941, as substituted by section 6 of Act 38 of 1997

- 2. Section 6 of the principal Act is hereby amended by the substitution for the heading 20 of the following heading:
 - "Applying false trade description and alteration of trade mark".

Substitution of section 7 of Act 17 of 1941, as substituted by section 7 of Act 38 of 1997

3. The following section is hereby substituted for section 7 of the principal Act:

"Sale and hiring out of goods bearing false trade descriptions

- 7. Any person who sells or lets or offers for sale or hire any goods to which any false trade description is applied, or in relation to which a trade mark has been altered in any manner, shall be guilty of an offence, if—
- (a) at the time of the commission of the alleged offence, the person knew 30 or had reason to suspect that the trade description was not genuine or that the trade mark had been altered; or
- (b) the person did not take all reasonable steps in order to avoid the commission of the alleged offence.".

Amendment of section 8 of Act 17 of 1941, as amended by section 8 of Act 38 of 1997 35

- **4.** Section 8 of the principal Act is hereby amended by the substitution for subsection (2) of the following subsection:
 - "(2) This section shall not have effect in respect of the application of a name or **[trade]** mark to articles used or to be used for any of the following purposes, that is to say, as coverings, labels, reels, or otherwise as articles in or with which goods manufactured or produced in the Republic are or are to be sold, if the name or mark so applied is the name or **[trade]** mark of a manufacturer, producer of or trader in those goods in the Republic, and the name or **[trade]** mark was applied with **[his]** the consent of the manufacturer, producer or trader."

Substitution of section 9 of Act 17 of 1941, as substituted by section 9 of Act 38 of 45 1997

5. The following section is hereby substituted for section 9 of the principal Act:

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"Sale of imported goods bearing marks in official language, unaccompanied by indication of origin

9. Any person who sells or, for the purpose of advertising goods, distributes in the Republic any goods which were not made or produced in the Republic, and to which there is applied any [trade mark,] mark or trade description in any official language of the Republic, shall be guilty of an offence, unless there is added to that mark or description, in a conspicuous manner, the name of the country in which the goods were made or produced, with a statement that they were made or produced there.".

Amendment of section 14 of Act 17 of 1941, as substituted by section 10 of Act 38 10 of 1997

- **6.** Section 14 of the principal Act is hereby amended by the substitution for subsection (1) of the following subsections:
 - "(1) For purposes of this section, a person uses a mark or trade mark if he or she uses it—
 - (a) in connection with his or her trade, business, profession or occupation; or
 - (b) in connection with a mark, trade mark or trade description applied by him or her to goods made, produced or sold by him or her.
 - (1A) (a) No person may use a mark or trade mark which consists of or contains the national flag of a convention country, or an imitation from a heraldic point of view, without authorization of the competent authority of the convention country or without being in possession of an authorization in writing signed by or on behalf of the Minister.
 - (b) Paragraph (a) does not apply if no authorization for the use of a mark or trade mark contemplated in that paragraph is required by the convention country.
 - (1B) No person may use a mark or trade mark which consists of or contains the armorial bearings or any other state emblem, of the Republic or a convention country, or an imitation from a heraldic point of view, without authorization of the competent authority of the Republic or convention country, as the case may be.
 - (1C) No person may use a mark or trade mark which consists of or contains an official sign or hallmark adopted by the Republic or a convention country, or an imitation from a heraldic point of view, and which indicates control and warranty in relation to goods or services of the same or similar kind as those in relation to which such official sign or hallmark indicates control and warranty, without authorization of the competent authority of the Republic or convention country, as the case may be.
 - (1D) (a) No person may use a mark or trade mark which consists of or contains the flag, armorial bearings or any other emblem, or an imitation from a heraldic point of view, or the name, or abbreviation of the name, of any international organization of which any convention country is a member, without authorization by such organization.
 - (b) Paragraph (a) does not apply if the use of the mark or trade mark contemplated in that paragraph does not suggest to the public that a connection exists between the organization and the mark or its proprietor, or is not likely to mislead the public as to the existence of a connection between the organization and the mark or its proprietor.
 - (1E) Any person who contravenes or fails to comply with any provision of subsection (1A), (1B), (1C) or (1D) shall be guilty of an offence.
 - (1F) This section does not apply to a trade mark registered before 1 February 1941.
 - (1G) Subsections (1B), (1C) and (1D) apply to a state emblem, official sign or hallmark of a convention country, and the emblem or name, or abbreviation of the name, of an international organization only and to the extent that—

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- (a) the convention country or international organization has notified the Republic in accordance with Article 6ter of the Paris Convention that it desires to protect that emblem, sign, hallmark, name or abbreviation, as the case may be;
- (b) the notification contemplated in paragraph (a) is in force; and

(c) the Republic has not objected to the notification contemplated in paragraph (a) in accordance with Article 6ter of the Paris Convention.

(1H) Subsection (1B) or (1C) shall not prevent the use of a trade mark by any citizen of a country who is authorized to make use of a state emblem, official sign or hallmark of that country, notwithstanding the fact that it is similar to that of another country."

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Short title

7. This Act is called the Merchandise Marks Amendment Act, 2001.