

**IN THE HIGH COURT OF SOUTH AFRICA
NORTH GAUTENG DIVISION**

CASE NO: 17527/2010

In the matter between:

MCG INDUSTRIES (PTY) LTD

APPLICANT

and

CHESPAK (PTY) LTD

RESPONDENT

JUDGMENT

ZONDO, J:

Introduction

- [1] The applicant has brought an application for an interdict restraining the respondent from infringing its registered design under registration number A2000/1414 and other relief. The respondent resists the application on a number of grounds. I shall set these out later in this judgment. For now it is necessary to set out the relevant background to this application.

Background

- [2] The deponent to the applicant's founding affidavit, Mr Hendrik Jacobus Swanepoel, was a founding member of the respondent and was its managing director between 1995 and 2005. The applicant is the registered proprietor of the South African registered design, registration number A2000/141. For convenience the design will be referred to as "the registered design". The registered design is titled "Bottle Carrier". The registered design is filed and registered in Class 9. The applicant says that, according to the Design Regulations of 1999, class 9 covers "packages and containers for the transport or handling of goods". The definitive statement of the registered design reads as follows:

"The features of the design for which protection is claimed reside in the shape and/or configuration of a bottle carrier substantially as shown in the photographs."

Various photographs of the bottle carrier, taken from different angles, were then attached to the founding affidavit. The photographs and the definitive statement are part of Annexure "HJ 52" to the founding affidavit. There is no explanatory statement provided in respect of the registered design. The registered design is still current in its operation.

- [3] The applicant has averred that the respondent has, without its consent, made, imported, used, and/or disposed of, a bottle carrier product ("the Chespak crate") the shape and/or configuration of which is shown in annexures "HJS 3.1" to "HJS 3.8" to the founding affidavit. The applicant states that the Chespak crate embodies the applicant's registered design or a design not substantially different from the applicant's registered design. The Chespak crate is included in class 9.

Statutory provisions

- [4] Before I can consider and decide the questions which arise for determination in this matter, it is necessary to refer to, and, discuss, certain provisions of the Designs Act, 1993 (Act 195 of 1993) ("the Act"). Just before sec 1 of the Act, the following appears: "to provide for the registration of designs and for matters connected therewith". This is the object of the Designs Act. In the definition section of the Act (i.e. section 1) there are definitions of certain terms to which I think I should refer at the outset. The word "article" is defined as meaning:

"any article of manufacture and includes a part of such article if manufactured separately". The word "design" is defined as meaning:
"an aesthetic design or a functional design."

The term 'aesthetic design' is defined in the following terms:

"any design applied to any article, whether for the pattern or the shape or the configuration or the ornamentation thereof or for any two or more of those purposes and by whatever means it is applied, having features which appeal to and are judged solely by the eye, irrespective of the aesthetic quality thereof."

Section 1(xi) defines a functional design in the following terms:

“any design applied to any article, whether for the pattern or the shape or the configuration thereof, or for any two or more of those purposes and, by whatever means it is applied, having features which are necessitated by the function which the article to which the design is applied, is to perform and includes an integrated topography, a mask work and a series of mask works”.

[5] At 108 in *Amp Inc v Utilux (Pty) Ltd* [1972] RPC 103 (HL) (“*Amp Inc*”) Lord Reid pointed out that “to be protected the design must come within the definition. Designs which do not come within the definition may or may not be protected by other legislation. We are not concerned with that in this case. The question in this case is whether this terminal has a design which comes within this definition.” Lord Reid went on to say at 108 that the idea must be that there can be two articles similar in every respect except shape, and that the novel feature of shape which is the design has been added to the article by making it in the new shape instead of some other shape which is not novel. Lord Reid dealt in *Amp Inc* with words “being features which in the finished article appeal to and are judged solely by the eye.” He said at 108:

“This must be intended to be a limitation of the foregoing generality. The eye must be the eye of the customer if I am right in holding that the policy of the Act was to preserve to the owner of the design the commercial value resulting from the customer preferring the appearance of the articles which have the design to that of those which do not have it. So the design must be the one which appeals to the eye of some customers. And the words ‘judged solely by the eye’ must be intended to exclude cases where a customer might choose an article of that shape not because he thought that the shape made it more useful to him.”

Lord Reid expressed doubt whether in the case of finished articles sold to members of the public for use by them, this limitation would be of much importance (Lord Reid at 108 lines 26 -27). He then said in the next sentence:

“The onus is on the person who attacks the validity of the registration of a design. So he would have to shew on a balance of probability that an article with the design would

have no greater appeal by reason of its appearance to any member of the public than an article which did not have this design. Looking to the great variety of popular tastes this would seem an almost impossible burden to discharge” (Clipsal, p.108 lines 27 - 32).

- [6] In *Homecraft Steel Industries (Pty) Ltd v S.M. Hare & Son (Pty) Ltd & Another* 1984 (3) SA 681 (A) Corbett JA sought to give a general indication of the features which an aesthetic design should have in order to appeal to and be judged solely by the eye. He did this by quoting certain passages from the speeches of Lords Morris of Borth-Y-Gest and Pearson in the *Amp Inc* case and from the speech of Lord Avonside in another case. The passage he quoted from the speech of Lord Morris included the following:

“This does not mean that the ‘appeal’ or the attraction must be to an aesthetic or artistic sense – though in some cases it may be. The features may be such that they gain favour of or appeal to some while meeting with disfavor of others. Beyond being merely visible the feature must have some individual characteristic. It must be calculated to attract the attention of the beholder.”

The passage which Corbett JA quoted from Lord Pearson’s speech in the *Amp Inc* case was this one:

“The emphasis is on external appearance, but not every external appearance of any article constitutes a design. There must be in some way a special, peculiar, distinctive, significant or striking appearance – something which catches the eye and in this sense appeals to the eye.”

Lastly Corbett JA also quoted a passage from the speech of Lord Avonside in the Scottish Court of Session in the case of *G.A. Harvey & Co. (London) Ltd v Secure Fittings Ltd* (1966) RPC 515 at 518. There Lord Avonside said in part:

“The judge of the design is the eye and the eye alone and to the eye it must appeal. The design, to appeal, must be noticeable and have some perceptible appearance of an individual character. Where, as in the present instance, the design is for a shape or configuration of the article as a whole, the only effective application of the design rests in making the article of that shape or configuration. In that situation, in order

to achieve the application of the design to an article, the article produced must be such as appeal to the eye as possessing, by reason of its shape or configuration, features which distinguish it from others of its type and class."

Corbett JA then turned to the question of whose eye it is that the features must appeal to and be judged solely by. He referred to *Swisstool Manufacturing Co. v Omega Africa Plastics* 1975 (4) SA 379 (W) at 383B where Eloff J stated that it would not be inconsistent with what had been stated in previous South African cases:

"to hold that while the eye is to be the eye of the court, the court should view the design through the spectacles of the customer."

The Appellate Division in *Homecraft Steel Industries v SM Hare & Son* 1984 (3) SA 681 (A) at 692 C-D approved this approach. There Corbett JA, writing for a unanimous Court, said:

"I think, with respect, that this statement pithily expresses what I conceive to be the correct approach, viz that while the Court is ultimately the arbiter it must, when determining these matters, consider how the design in question would appeal to and be judged by the likely customer of the class of article to which the design is applied.

This visual criterion is, of course, of cardinal importance not only in determining whether a design meets the requirements of the definition, but also in deciding questions of novelty and infringement."

- [7] From the definition of an aesthetic design it is clear that an aesthetic design is any design that has been or is applied to an article for any two or more of the purposes contained in the definition of "aesthetic design" provided that such design has features "which appeal to, and are judged solely by the eye". The means by which the design is applied to the article are irrelevant for purposes of determining whether or not a design is an aesthetic design. Also, the aesthetic quality of such features is irrelevant for the purposes of determining whether or not the design is an aesthetic design. Where it is accepted between the parties that the application of the design to an article is or was for any two or more of the purposes contained in the definition of an "aesthetic design",

the decisive question in determining whether or not the design is an aesthetic design is whether or not such design has “features which appeal to and are judged solely by the eye”. If it has such features, it is an aesthetic design. If it doesn't have such features it is not an aesthetic design.

[8] It must be noted that the definition of “aesthetic design” does not require such design to have only features that appeal to and are judged solely by the eye. Quite clearly, if the intention of the Legislature was that all the features of an aesthetic design must be features which appeal to and are judged solely by the eye, it would have said so in the definition. In fact sec 14(5) of the Act lends credence to this view because it clearly contemplates that an aesthetic design could have features that are solely necessitated by the function which the article is intended to perform. It could be argued that a design that has many features but only one feature is a feature that appeals to and is judged solely by the eye, that design would not fall within the definition of an aesthetic design because the definition of an aesthetic design refers to “features” that appeal to and are judged solely by the eye. If the Legislature had intended that a design with many features could qualify as an aesthetic design even if it had only one feature that appeals to and is judged solely by the eye, it would have formulated the definition of “aesthetic design” in such a way as to say that such a design must have a feature that appeals to and is judged solely by the eye. The fact that it did not formulate the definition in this way and in fact formulated it in a way that refers to “features” suggests that the intention was that an aesthetic design should have two or more features which appeal to and are judged solely by the eye. Accordingly, if a design has only two features and both meet this requirement, it is an aesthetic design. In such a case one can say that all the features of that design are features that meet this requirement. If, however, a design has only two features and one feature meets this requirement but the other does not, that design does not fall within the definition of an aesthetic design and is, therefore, not an aesthetic design.

[9] It seems from the definition of a functional design that, in a case where the design is applied to an article for any two or more of the purposes referred to in the definition and is applied to the article by any means, the decisive question in determining whether or not the design is a functional design will be whether or not such design has “features which are necessitated by the function which the article to which the design

is applied, is to perform. . . .” It is to be noted that the definition of “functional design” does not require that such a design should have features that are necessitated solely by the function which the article is to perform. This means that, if the features of a design which meets the other requirements of the definition of “functional design” are necessitated by not only the function which the article to which the design is applied performs but also by something else, the fact that the features of that design are also necessitated by something else in addition to being necessitated by the function performed by the article would not take such design outside the definition of “functional design”. Here, too, if only one feature of a design meets this requirement, the design would not be a functional design. This would be the case irrespective of whether the design has only one feature or whether it has many features. However, as in the case of an aesthetic design, if a design has many features and only two of its features meet the requirements, the design would fall within the definition of a functional design and would be a functional design. Obviously, if a design has only two features and both meet this requirement, the design will be a functional design. Once again this is if the design meets the other requirements of the definition of “functional design”. A comparison of the definitions of an “aesthetic design” and a “functional design” reveals the following two differences between the two designs:

- (a) while an aesthetic design may be applied to an article for the ornamentation of the article, a functional design may not be applied to an article for the ornamentation thereof.
- (b) while an aesthetic design is required to have “features which appeal to and are judged solely by the eye irrespective of the aesthetic quality thereof”, a functional design is required to have features which are necessitated by the function which the article to which the design is applied, is to perform.

[10] Sec 6(1) provides for the appointment of the Registrar of designs by the Minister of Trade and Industry. Subject to the directions of the Minister, the registrar of designs has the chief control of the designs office. Sec 7(1) of the Act creates a register of designs that must be kept at the designs office. The purpose of the register is to keep a record of designs which are registered in terms of the Act as well as information about such designs and their proprietors or licencees. Sec 7(1) sets out the information to be entered into the register. In terms of sec 7(5) the register consists of

a Part A and a Part F. Part A is for aesthetic designs and Part F is for functional designs.

[11] Sec 14 of the Act governs applications for the registration of designs. Sec 14(1) reads thus:

"14. Applications for registration –

(1) The proprietor of a design which

(a) in the case of an aesthetic design is –

(i) new; and

(ii) original,

(b) in the case of a functional design, is –

(i) new; and

(ii) not commonplace in the art in question,

may, in the prescribed manner and on payment of the prescribed fee,

apply for the registration of such design."

Sec 14(2) seeks to facilitate the determination of novelty of a design. It provides as follows:

"(2) A design shall be deemed to be new if it is different from or if it does not form part of the state of the art immediately before the date of application for registration thereof or the release date thereof, whichever is the earlier: provided that in the case of the release date thereof being the earlier, the design shall not be deemed to be new if an application for registration of such design has not been lodged –

(a) in the case of an integrated circuit topography, a mask work or a series of mask works, within two years; or

(b) in the case of any other design, within six months, of such release date".

Sec 14(3) governs what makes up the state of the art. This provision seeks to clarify the provision of sec 14(1), particularly the term "the state of the art" therein. Sec 14(3) provides:

"(3) The state of the art shall comprise –

- (a) *all matter which has been made available to the public (whether in the Republic or elsewhere) by written description, by use or in any other way; and*
- (b) *all matter contained in an application –*
 - (i) *for the registration of a design which has subsequently been registered in the Republic in accordance with the provisions of section 44, of which the date of application in the Republic or convention country, as the case may be, is earlier than the date of application or the release date contemplated in subsection (2)."*

The provision of sec 14(5) is important in the present matter. It reads as follows

"(5) No –

- (a) *feature of an article in so far as it is necessitated solely by the function which the article is intended to perform; or*
- (b) *method or principle of construction,*

shall afford the registered proprietor of an aesthetic design any rights in terms of this Act, in respect of such feature, method or principle."

[12] The provision of sec 14(5) (b) is of no relevance in this matter. However, the provision of sec 14(5) (a) is relevant because Counsel for the respondent went to great lengths to try and show that a number of features, if not all the features, of the registered design are functional and not aesthetic. This raises the question of what the effect of sec 14(5) (a) is. The effect of sec 14(5) (a) is not that the presence of functional features in a design that is registered as an aesthetic design deprives the proprietor of such design of the protection which the registration of his design confers upon him in terms of sec 20 of the Act. In fact sec 14(5) (a) does not affect in any way any feature other than a feature that is "necessitated solely by the function which the article is intended to perform". Accordingly, if a feature does not appeal to and is not judged solely by the eye as is contemplated by the definition of "aesthetic design" in sec 1 of the Act and is functional but is not necessitated solely by the function which the article is intended to perform, it is not affected by sec 14(5)(a). Accordingly, the effect of sec

14(5) (a) is that a feature of an aesthetic design that is “necessitated solely by the function which the article is intended to perform” cannot be relied upon to protect the proprietor of such aesthetic design. Of course, the onus to prove that a feature of a design registered as an aesthetic design is “necessitated solely by the function which the article is intended to perform” would be on the party that makes such an allegation. Accordingly, where a party has failed to show that a particular feature is necessitated solely by the function which the article is intended to perform, the feature must be considered as a feature upon which the proprietor can rely for protection or to enforce his right provided for in sec 20 of the Act.

[13] Sec 15 governs the registration of designs. Sec 15(1) enjoins the registrar of designs to “examine in the prescribed manner” any application for the registration of a design and, if it complies with the requirements of the Act, register the design in Part A of the register, if it is an aesthetic design or in Part F of the register if it is a functional design. Sec 15(2) provides that the registration of a design shall be with effect from the date of application for registration. Sec 15(3) provides that one and the same design may be registered in both Part A and Part F of the register. Sec 15(4) provides for the possible registration of a design in more than one class. It also provides that in the event of doubt as to the class in which a design should be registered, it is the registrar of designs who must determine such issue.

[14] It is important to emphasise that sec 15(1) lays down three requirements that must be met in order for the registrar to register a design. The one is that the registrar “shall examine” the application. The second one is that the examination of the application must be “in the prescribed manner”. The third is that the application must comply with the requirements of the Act. If the application has not been examined by the registrar, then one of the requirements for registration has not been complied with. If the registrar has examined it but has not examined it “in the prescribed manner”, then the latter requirement for registration has not been satisfied. The phrase “in the prescribed manner” in sec 15(1) means in the manner prescribed by the regulations promulgated under the Act. This is based on the definition of the word “prescribed” in sec 1 of the Act. The definition of the word “prescribed” is “prescribed by regulation”. To establish the prescribed manner in which the registrar is required to examine an application for registration, it is necessary to go to the provisions of the relevant

regulations. The relevant regulation is reg 26 because it is that regulation that deals with the examination of an application for registration of a design by the registrar.

[15] The provisions of reg. 26(1) and (2) read as follows:

"26. (1) An application for the registration of a design shall be examined by the registrar to ensure that the documents lodged are legible and capable of reproduction and comply with prescribed requirements as to form, and that the design is classified and if in his opinion there is no objection to the registration of the design, and subject to sub regulation (2), he shall register it.

(2) If the applicant has lodged a request on Form D4 that examination of the design be delayed to a date not later than the date by which the application has to be finalized in terms of regulation 32, the registrar shall, if the requirements as set out in sub-regulation (1) have been complied with and in his opinion there is no objection to the registration of the design, register the design on the date to which registration has been delayed."

In the light of the provisions of reg. 26(1) and (2) and of the rest of regulation 26 read with regulation 32, it can be said that the manner in which the registrar is required to examine an application for the registration of a design in terms of sec 15(1) of the Act is the manner prescribed by reg. 26 in general and by reg. 26(1) and (2) in particular.

[16] The third requirement for the registration of a design as laid down in sec 15(1) is that the application must "comply with the requirements of this Act". Those requirements comprise the requirements of the Act as well as the requirements laid down in the regulations promulgated under the Act. This is because the phrase "this Act" is defined in sec 1 of the Act as including the regulations. It is important to point out that the requirement that "it complies with the requirements of this Act" in sec 15(1) does not refer to the design in respect of which there is an application for registration. The word "it" in the phrase "if it complies with the requirements of this Act" is a reference to the application for registration of the design and not the design itself. Accordingly, the requirements of "this Act" that one must look for to see whether the requirements for registration of the design have been met are the requirements of "this Act" for an

application for registration of a design sought to be registered. The only requirements that the Act seems to prescribe for an application for the registration of a design are that the application should be made “in the prescribed manner” and “on payment of the prescribed fee” (Sec 14(1) (b)). The requirements of “new” and “original” do not relate to the application but they relate to an aesthetic design that is sought to be registered. The “prescribed manner” in which sec 14(1) requires an application for registration to be made is to be found in the provisions of regulations 13 to 23 which prescribe the manner in which an application for registration of a design must be made. I do not propose to quote those provisions or to discuss them herein. I only state that the “prescribed manner” in which an application for the registration of a design is to be made is to be found in sec 14(1) of the Act and in regulations 12 to 23.

- [17] Sec 20 is one of the most important provisions of the Act. It is this provision which spells out the right which the registration of a design confers upon the registered proprietor thereof. Sec 20(1) reads as follows:

“20. Effect of registration of design

(1) The effect of registration of a design shall be to grant to the registered proprietor in the Republic, subject to the provisions of this Act, for the duration of the registration the right to exclude other persons from the making, importing, using or disposing of any article included in the class in which the design is registered and embodying the registered design or a design not substantially different from the registered design, so that he shall have and enjoy the whole profit and advantage accruing by reason of the registration.”

What emerges from a reading of the provision of sec 20(1) is that the right which the proprietor of a registered design acquires upon the registration of his design under the Act is the exclusive right to make, import, use or dispose of any article included in the class in which his design is registered which embodies his registered design or a design not substantially different from the registered design so that he shall have and enjoy the whole profit and advantage accruing by reason of the registration. Put differently, for the duration of the registration of his design, the proprietor of a registered design has the right to exclude everyone else from making, importing, using or disposing of any article that is in the same class as the registered design that embodies his registered design or a design that is not substantially different from the

registered design so that he has and enjoys the whole profit and advantage accruing by reason of the registration.

[18] Sec 31 of the Act governs the grounds for the revocation of the registration of a registered design. Sec 31 reads as follows:

"31. Grounds for application for revocation of registration of design. - (1) any person may at any time apply to the court in the prescribed manner for the revocation of the registration of a design on the following grounds, namely

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- (a) that the application for the registration of the design was not made by a person entitled thereto under section 14;*
- (b) that the registration of the design is in fraud of the rights of the applicant or of any person under or through whom he claims;*
- (c) that the design in question is not registrable under section 14;*
- (d) that the application for registration of the design contains a false statement or representation which is material and which the registered proprietor knew was false at the time when the statement or representation was made;*
- (e) that the application for the registration of the design should have been refused in terms of section 16."*

Sec 31(1) (a) authorises the revocation of the registration of a design on the ground that the application for the registration of the design was not made by a person entitled to make the application under sec 14. Under section 14 the person who is entitled to apply for the registration of a design is the proprietor of the design. I leave out sec 31(1) (b) and (d).

[19] Under sec 31(1) (c) a registered design may be revoked on the ground that the design in question is not registrable under sec 14. Under section 14 an aesthetic design is not registrable if:

- (a) it is not new and
- (b) original;

- (c) the application for registration of the design is not made by the proprietor thereof;
- (d) the application for registration of the design is not made "in the prescribed manner";
- (e) the prescribed fee has not been paid.

A functional design is not registrable under sec 14 if:

- (a) it is not new;
- (b) it is commonplace in the art in question;
- (c) the application is not made by the proprietor of the design;
- (d) the application was not made "in the prescribed manner";
- (e) the prescribed fee was not paid.

Sec 31(1) (e) provides for the revocation of the registration of a design if the application for its registration should have been refused under sec 16 of the Act. Sec 16 reads as follows:

"16 Refusal of application – if it appears to the registrar that an application was not made in the prescribed manner, he shall refuse the application."

I have earlier in this judgment pointed out that the provisions which reveal the prescribed manner in which an application for the registration of a design is required to be made are to be found in sec 14 and regulations 12 to 23.

[20] Sec 35 deals with infringement proceedings. Subsection (1) grants the proprietor of a registered design the right to institute infringement proceedings. Subsection (2) prescribes the giving of prior notice of infringement proceedings before they can be instituted. Subsection (3) deals with various types of reliefs to which a plaintiff in infringement proceedings is entitled. Sec 35(5) is relevant in the present matter. It reads as follows:

"In any proceedings for infringement the defendant may counterclaim for the revocation of the registration of the design and, by way of defence, rely upon any ground on which the registration may be revoked."

Sec 35(5) is the section of the Act that contains some of the defences upon which a defendant or respondent may resist an infringement claim.

Against the background of the above overview of some of the important provisions of the Act, it is now appropriate to turn to the present case.

Features of the applicant's registered design

[21] The applicant states that:

- (a) the registered design is in respect of a bottle carrier i.e. a crate;
- (b) the registered design is utilized for storage in a stacking arrangement, transportation and delivery of plastic soft drink bottles of 500ml, 1litre and 2 litre variety;
- (c) the bottles referred to in (b) above are usually manufactured using polysthylene terephthalate in a blow-moulding process;
- (d) the crate of the registered design has a base from which four peripherally located walls (two side walls and two end walls) extend vertically upwardly, thereby, defining a cavity within the four vertical walls.
- (e) six bottle-receiving sockets are defined within the cavity that is within the form vertical walls and also extend in a vertically upward fashion.
- (f) the six bottle-receiving sockets are arranged in a 2X 3 configuration and each receives the base of a soft drink bottle.
- (g) on the underside of the bottle receiving socket are closure-or cap-receiving sockets for receiving the closures of lower-tier bottles when one crate is stacked on top of another.
- (h) each closure-receiving socket is located within a flared mouth located on a substantially planar base-sliding surface which is located on the base of the crate; the flared mouth includes a number of circumferentially spaced guide ribs that extend in a radially outwardly configuration.

- (i) the closure-receiving socket comprises a cylindrical wall defining a cylindrical cavity for receiving and accommodating the closure of a bottle which is seated in the crate below; at the upper end of the cylindrical cavity, a stopper flange is located so that the top of the closure of the bottle, seated in the crate below, abuts the stopper flange of the crate in question when the bottle's closure is inserted into the cylindrical cavity.
- (j) the crate further includes four corner posts to which Swanepoel refers as "the primary posts" each of which extends vertically upwardly from each corner of the crate and is dimensioned to be received in a complementarily shaped receiving cavity of a crate stacked on top of it; Swanepoel say that each of the primary posts "sports" a step-like bearing formation on its upper free end so that the crate stacked on top of it rests in part on the step of the bearing formation.
- (k) adjacent to each primary post are secondary posts which are located on, and extend above, peripheral walls of the crate; like the primary posts, the secondary posts also have a step-like bearing formation that functions in much the same manner as the bearing formations found on the primary posts when one crate is stacked on top of another.
- (l) tertiary support posts are located within the base of the crate and extend upwardly from within the cavity.
- (m) an important feature of the tertiary support posts is the existence of a set of non-rotate flags on each of the tertiary support posts; these non-rotate flags are in the form of four flag steps axially defined in the circumference of each of the tertiary support posts; the non-rotate flags are located approximately half-way up the tertiary support posts; each of the non-rotate flags has a flag rib that is located proximate to the flag step and extends radially from the tertiary support posts into the bottle-receiving socket; the flag steps and flag ribs engage a lower end of an upright bottle seated in the crate.

- (n) furthermore, each of the primary and secondary support posts has an elongate rib running substantially along the length of each of these posts that extends radially inwardly from each post into the bottle receiving socket.
- (o) the bottle-receiving sockets are in part defined by the wall portion as well as by the primary, secondary and tertiary support posts.
- (p) the prominent features of the crate covered by the registered design are the base sliding surface found on the base of the crate, the flared-mouth, the cylindrical closure-receiving socket combination, the non-rotate flags located on the tertiary support post and the elongate friction ribs on each of the primary and secondary support posts.

[22] The applicant also deals in the founding affidavit with the advantages of the registered design. The advantages posed by the registered design having the combination of features in a crate as aforementioned include the ability to easily stack and disengage crates stacked on top of each other when both of the crates contain bottles. This is achieved using the planar base-sliding surface as a gliding surface that directs closures of bottles contained in a lower crate towards the flared mouth and closure-receiving sockets in the base. The crate of the registered design also has a very stable stacking configuration and furthermore prevents bottles from rotating in the bottle receiving socket while in transit. The applicant points out that this last-mentioned advantage is of particular importance in that rotation of the bottle results in scuff-marks on the bottle and/or any labels associated therewith; the result is a damaged bottle which may not be in a sellable condition.

[23] In its answering affidavit the respondent devotes a substantial part of the affidavit to an attempt to show that either all or at least most of the features of the applicant's registered design are not aesthetic features but are functional features or are features that are necessitated solely by the function intended to be performed by the applicant's crate. The respondent dealt with the features of the applicant's registered design for this purpose from par 40.1.1 to par 40.10.2 of the answering affidavit. The applicant's reply to the averments by the respondent in paragraphs 40.1.1 to par 40.10.2 is to be found in paragraphs 9 to 13 of the applicant's replying affidavit. I refer

below to the respondent's averments concerning the alleged functionality of the features of the applicant's crate and the applicant's replies thereto in its replying affidavit.

[23.1.1] The first feature of the registered design that the applicant highlighted which the respondent contends is functional is that the crate of the registered design has a base from which four peripherally located walls extend vertically upwardly, thereby defining a cavity within the four vertical walls.

[23.1.2] With regard to this feature, the respondent says that it hardly needs to be stated that, "if a bottle crate, by definition a square container divided into sections for holding bottles order for transporting goods, is to perform its function, it must by definition also have a base and four walls extending vertically upwardly and defining a cavity within them." (See par 40.1.2 of the respondent's answering affidavit).

[23.1.3] In reply to this the applicant states in par 12.1 of the replying affidavit that it is incorrect to contend that the walls, base and sockets of the crate need to look the way they do to perform the function which they do i.e. to hold bottles for transportation. The applicant points out that this is clearly illustrated by the fact that the walls, sockets and bases of the prior art crates pictured in annexure P2 (the 1997 Megapak crate), P5 (the 1996 Megapak crate), P16 (the 1986 Megapak crate) and P18 (the 1996 Megapak crate) of Mr Naidoo's answering affidavit look different to one another and to the registered design, despite the fact that they were or are all used to hold bottles during transportation.

[23.2.1] The applicant also highlights that the crate of the registered design has six bottle-receiving sockets that are defined within the cavity and also extend in a vertically upward fashion. The applicant states that these bottle-receiving sockets are arranged in a 2x3 configuration and each receive the base of a soft-drink bottle. (See par 5.2 of the founding affidavit).

[23.2.2] The respondent deals with this by saying that a socket is by definition a hollow into which something fits, in this case a bottle-receiving socket. The respondent goes on to say that the socket is clearly intended to receive, to hold and to stabilize a bottle within the crate. Therefore, says the respondent, if a socket is to perform the function of a bottle-base receiving socket, it will evidently comprise a "hollow" with vertically

upwards extending walls to receive and to hold a bottle base. Moreover, says the respondent, the mere fact that the six bottle-receiving sockets are arranged in a 2x3 configuration is irrelevant and is, in any event, a feature found in all crates destined as carriers for 2 litre bottles. The respondent then concludes by contending that the walls, base and sockets of the crate are therefore clearly dictated by the function that the crate is to serve and are not, and were not intended to be, aesthetic (see paras 40.1.1 to 40.1.6 of the answering affidavit).

[23.2.3] The applicant's reply to all this is the one in the second part of par 6.2.1 above which is to be found in paragraphs 9, 10, 11, 12 and 12.1 of its replying affidavit. In par 12 of its replying affidavit the applicant says that the walls, base and sockets of its crate do not need to look the way they do in order to perform the function which they perform i.e. to hold bottles for transportation. The applicant says that this is illustrated by the fact that the walls, base and sockets of the prior art pictured in annexures P2 (the 1997 Megapak crate), P5 (the 1996 Meagpak crate), P16 (the 1986 Megapak crate) of the respondent's answering affidavit look different from one another and from the registered design despite the fact that they were or are all used to hold bottles during transportation.

[23.3.1] In par 5.3 of the applicant's founding affidavit the feature that the applicant highlights is that on the underside of the bottle receiving socket are closure –or cap receiving sockets for receiving the closures of lower-tier bottles, when one crate is stacked on top of another. In par 5.4 of the founding affidavit the applicant points out that each enclosure-receiving socket is located within a flared mouth located on a substantially planar base sliding surface, which is located on the base of the crate. The flared mouth indicates a number of circumferentially-spaced guide ribs that extend in a radially outwardly configuration. In par 5.5 of the founding affidavit the applicant points out that the closure-receiving socket comprises a cylindrical wall defining a cylindrical cavity for receiving and accommodating the closure of a bottle which is seated in the crate below. At the upper end of the cylindrical cavity, a stopper flange is located so that the top of the closure of the bottle (seated in the crate below) abuts the stopper flange of the crate in question when the bottle's closure is inserted into the cylindrical cavity.

[23.3.2] The respondent's response to the applicant's allegations in par 5.2 to 5.5 is to be found in paras 40.2.1 to 40.2.4 of the respondent's answering affidavit. In par 40.2.1 the respondent repeats what the applicant claims in this regard. In par 40.2.2 the respondent points out that a socket is by definition a hollow into which something fits. In par 40.2.3 the respondent states that in the case of a bottle cap-end receiving socket, the socket is clearly intended to receive, to hold and to stabilize the bottle cap-end. The respondent goes further and says that, therefore, "if a socket underside a bottle-base receiving socket in a crate is to perform the function of a bottle cap-end receiving socket when the crates are stacked, it will inevitably comprise a "hollow" with a cylindrical wall defining a cylindrical cavity to receive and to hold the bottle cap-end." The respondent concludes by saying that "this feature is therefore also clearly dictated by the function that the crate is to serve and is not, and was not intended to be aesthetic".

[23.3.3] In par 12.2 of the replying affidavit the applicant replies to par 40.2 of the respondent's answering affidavit. The applicant states that it is incorrect to say that the bottle-top receiving socket needs to look the way it does to receive a bottle top when the crates are stacked. It continues and points out that, indeed, each of the crates shown in annexures P2 (the 1997 Megapak crate), P5 (the 1996 Megapak crates), P8 (the 1991 Swaziland Bottling Co crate), P16 (the 1986 Megapak crate) and P18 (the 1996 Megapak crate) would have received the bottle-top of a bottle housed in a crate below when stacked, yet all of them look different to one another and to the registered design.

[23.4.1] In par 5.6 of the founding affidavit the applicant points out that the crate further includes four corner posts to which the applicant refers as "the primary posts". The applicant states that each primary post extends vertically upwardly from each corner of the crate and is dimensioned to be received in a "complimentarily shaped" receiving cavity of a crate stacked on top of it. The applicant states that each of the primary posts sports a step-like bearing formation on its upper free end so that the crate stacked on top of it rests in part on the step of the bearing formation.

[23.4.2] In par 40.5.1 of the answering affidavit the respondent responds to this by pointing out that a crate corner-end post, comprising a sturdy upright member, is nothing new and

it serves to provide structural support stability and strength, particularly where crates are destined to be stacked. The respondent says in par 40.5.2 that these features were not intended to be, and are not, aesthetic and are features that are dictated by the function that they are intended to serve as pointed out by the applicant itself in par 5.7 of the founding affidavit. The respondent also points out that the fact that the primary posts have a step-like bearing formation on its upper free end so that the crate stacked on top of it rests in part on the step of the bearing formation does not mean that this is a feature that was intended to be aesthetic. The respondent says that this feature is dictated by the function that it is intended to serve.

[23.4.3] In par 12.5 of its replying affidavit the applicant states that, if the court has regard only to annexure P1, it is clear that one of the Megapak crates of the prior art crates – the applicant says it is not clear whether the crate pictured in annexure P1 is the 1986, 1996 or the 1997 Megapak crate – “stacks easily with the applicant’s crate “and the Chespak crate and that all of these crates have support posts. The deponent to the applicant’s replying affidavit confirms that each of the 1986, 1996 and 1997 Megapak crates would stack the crate of the registered design as an ancillary “but universal characteristic of all similar-type crates supplied to ABI and/or the Coca Cola company.” The applicant points out that for a reason that the respondent has chosen not to explain, it chose to make its support posts look the same as the applicant’s crate rather than posts of the prior art crate.

[23.5.1] In par 5.7 of the founding affidavit the applicant states that adjacent to each of the primary posts are secondary posts which are located on and extend above the peripheral walls of the crate. The applicant says that, as with the primary posts, the secondary posts have a step-like bearing formation that functions in much the same manner as the bearing formations found on the primary posts when one crate is stacked on top of another.

[23.5.2] The respondent’s reply to this is to be found in paras 40.5.1 and 40.5.2 as set out above. (See par 6.4.2 above). The applicant’s reply to this is to be found in par 12.5 of the replying affidavit. There the applicant says that it is incorrect for the respondent to contend as it does in par 40.5 and 40.6 of the answering affidavit that the posts on the crate look the way they do because they function as “support” posts and are destined to be stacked. The applicant then points out that, if the court has regard only

to annexure P1, it is clear that one of the Megapak crates of the prior art crates stacks easily with the applicant's crate (which is an embodiment of the registered design) and the Chespak crate and that all of the 1986, 1996 and 1997 Megapak crates will stack the crate of the registered design as an ancillary. The applicant points out that for reasons which it has not explained, the respondent chose to make the support posts look the same as the applicant's crate rather than the posts of the prior art crates.

[23.6.1] In par 5.8 of the founding affidavit the applicant says that tertiary support posts are located within the base of the crate and extend upwardly from within the cavity. The applicant says that an important feature of the tertiary support posts, which is also one of the important features of the design registration itself, is the existence of a set of non-rotate flags on each of the tertiary support posts. The applicant says that these non rotate flags are in the form of four flag steps axially defined in the circumference of each of the tertiary support posts. It is said on behalf of the applicant that the non rotate flags are located approximately half-way up the tertiary support posts. The applicant states that each of the non-rotate flags has a flag rib that is located proximate to the flag step and extends radially from the tertiary support posts into the bottle-receiving socket. The applicant says that the flag steps and flag ribs engage a lower end of an upright bottle seated in the crate.

[23.6.2] In par 40.6 of its answering affidavit, the respondent says that its comments in par 38.5 equally apply to the secondary and tertiary support posts described in paras 5.7 and 5.8 of the applicant's founding affidavit. However, there is no par 38.5 in the respondent's answering affidavit. This makes it difficult to locate the respondent's comments that it intends to rely upon in response to par 5.8 of the founding affidavit. However, in par 40.7.1 to 40.7.3 the respondent includes par 5.8 as one of the paragraphs in the founding affidavit to which paras 40.7.1 to 40.7.3 are a response. In par 40.7.2 of the answering affidavit the respondent states that the "purely functional" nature of the features described in par 5.8 of the applicant's founding affidavit becomes evident when regard is had to the applicant's statement in par 5.12 that these features serve to engage bottles and to prevent them from rotating in the bottle receiving socket while in transit. The respondent says that the features described in par 5.8 of the founding affidavit are clearly dictated by their function and are not and were not intended to be aesthetic. In par 12.6 of its replying affidavit the applicant

points out that it is incorrect for the respondent to state, as it does in par 40.7 of the answering affidavit, that the non-rotate flags on the tertiary posts look the way they do in order to engage the bottle and prevent it from rotating. The applicant says that the contention by the respondent is fallacious. In support thereof the applicant states that there are “innumerable ways of preventing a bottle from rotating in a crate such as that of the registered design and yet the respondent chose to imitate the pattern and shape of the applicant’s design.” Ironically, adds the applicant, the respondent claims that its flags (which the respondent calls ribs) do not perform the function performed by the registered design’s flags making it all the more implausible that the respondent’s intent was anything other than to imitate the registered design.

[23.6.3] In par 36 of the replying affidavit the applicant responds to paras 37 to 40 of the respondent’s answering affidavit. The respondent refers to the response it had given earlier which is to be found in par 12.5 of the replying affidavit. The applicant states that it is incorrect to suggest, as it says the respondent suggests, that the posts on the crate look the way they do because they function as “support” posts and are destined to be stacked. The applicant says that, if the court only has regard to annexure P1, it is clear that one of the Megapak crates of the prior art crates stacks easily with the applicant’s crate and the Chespak crate and that all of these crates have support posts. The deponent to the applicant’s replying affidavit states that he can confirm that each one of the 1986, 1996 and 1997 Megapak crates “will stack the crate of the registered design as an ancillary but universal characteristic of all similar-type crates supplied to ABI and/or the Coca Cola company.” The respondent also points out that, for a reason that was not explained, the respondent chose to make its support posts look the same as the applicant’s crate rather than the posts of the prior art.

[23.7.1] In par 5.9 of its founding affidavit the applicant states that each of the primary and secondary support posts has an elongate rib running substantially along the length of each of these posts that extends radially inwardly from each post into the bottle receiving socket. In par 5.10 of the founding affidavit the applicant says that the bottle receiving sockets are, therefore, in part defined by the wall portion, as well as by the primary, secondary and tertiary support posts.

[23.7.2] In par 40.8.1 and 40.8.2 of its answering affidavit the respondent points out, with regard to the ribs referred to by the applicant, that ribs are nothing new and are well-known as

support and strengthening elements. The respondent then says that in this case the ribs are not and were not intended to be aesthetic. The respondent says that they were intended to support and strengthen. The respondent also points out that they also serve a further function that becomes evident when regard is had to the applicant's statement in par 5.12 of the founding affidavit that they serve to engage the bottles and to prevent them from rotating in the bottle receiving socket while in transit.

[23.7.3] In par 12.7 of the replying affidavit the applicant points out that it is incorrect for the respondent to suggest that the elongate ribs on the support posts have to look the way they do to perform the function that they do (also to prevent rotation of the bottles). The applicant says that this is not so as illustrated by the fact that the ribs in annexure P16 to P20 (the 1986 Megapak crate, the 1991 Swaziland Bottling Co crate, the 1996 Megapak crate, the Mega Plastics crate and the 1997 BKG crate respectively) look different to the elongate ribs of the registered design. The applicant further states that there is no need for the crate to include ribs to perform this function at all. It says that there are many ways of preventing a bottle rotating in a crate of which the non-rotate flags referred to earlier are but one example.

[23.8.1] In par 5.11 of the founding affidavit the applicant points out that the prominent features of the crate covered by the registered design are those of the base-sliding surface found on the base of the crate, the flared-mouth and cylindrical closure-receiving socket combination, and the non-rotate flags located on the tertiary support post. In addition, says the applicant, elongate friction ribs on each of the primary and secondary support posts are another prominent feature of the registered design.

[23.8.2] The respondent's response to par 5.11 of the founding affidavit is to be found in both par 40.9 and par 40.10 of the answering affidavit. With regard to the applicant referring in par 5.11 to a "base-sliding surface" found in the base of the crate, the respondent says that this underscores the purely functional purpose of that "base-sliding surface" feature when, in par 5.12 of the founding affidavit, the applicant refers to the ease of seeking and disengaging achieved by means of a planar base-sliding surface that serves as a "gliding surface that directs closures of bottles contained in a lower crate towards the flared mouth and closure receiving sockets in the base." The respondent points out in par 40.9.3 of its answering affidavit that the "base sliding

surface” is, therefore, not, and was not intended to be, aesthetic. The respondent says that by the applicant’s own admission it serves a very distinct purpose. In par 40.10.1 the respondent responds to paras 5.10, 5.11 and 5.12 of the applicant’s founding affidavit. The respondent points out that these paragraphs in the applicant’s founding affidavit unequivocally claim and state that the purpose of all of the features listed and described by the applicant in par 5 were intended to serve a particular function, namely, collectively to facilitate stacking of crates, disengagement of stacked crates, the prevention of damage to bottles whilst in transit as a result of dislodgement and rotation and to provide stability of stacking. The respondent says in par 40.10.2 of the answering affidavit that nothing in the paragraphs of the founding affidavit referred to claims anything other than functional purposes and nothing points to any intrinsic aesthetic values.

[23.8.3] In par 12.7 of its replying affidavit the applicant disputes the respondent’s contention contained in par 40.8 of the answering affidavit that the elongate ribs on the support posts have to look the way they do in order to perform the function that they perform including the prevention of the rotation of the bottles. The applicant states that this is not so as is illustrated by the fact that the ribs in annexure P16 to P20 (the 1986 Megapak crate, the 1991 Swaziland Bottling Co crate, the 1996 Megapak crate, the Mega Plastics crate, and the 1997 BKG crate, respectively) look different to the elongate ribs of the registered design. The applicant also points out that there is also no need for the crate to include ribs to perform this function at all. It suggests that there are many ways of preventing a bottle rotating in a crate of which the non-rotate flags are but one example.

[23.9.1] In par 5.12 of the founding affidavit the applicant sets out the advantages posed by the registered design having the combination of features in a crate as aforementioned including the ability to easily stack and disengage crates stacked on top of each other when both crates contain bottles. The applicant says that this is achieved using the planar base-sliding surface as a gliding surface that directs closures of bottles contained in a lower crate towards the flared mouth and closure receiving sockets in the base. The applicant states that the crate of the registered design also has a very stable stacking configuration and furthermore prevents bottles from rotating in the bottle receiving socket while in transit. The applicant points out that the last-

mentioned advantage is of particular importance in that the rotation of the bottle results in scuff-marks on the bottle itself and/or any labels associated therewith. The applicant points out that the result is a damaged bottle which may not be in a saleable condition.

[23.9.2] The respondent's response to par 5.12 of the founding affidavit is contained in paras 40.7.1, 40.7.2, 40.7.3, 40.9.1, 40.9.2, 40.9.3, 40.10.1, 40.10.2, 41-45 of the respondent's answering affidavit. When one reads what the respondent has to say in all these paragraphs in the answering affidavit, it comes down to simply that the respondent says that the features in question are not aesthetic, were not intended to be aesthetic and are purely functional. In par 45 of the answering affidavit, the respondent even says that it is advised that it is established law that, when considering the scope of an aesthetic design, design features have to appeal to and be judged solely by the eye. In this regard the respondent avers that there is nothing in the applicant's founding affidavit that "shows anything visually special, peculiar, distinctive, significant or striking about the design or any feature of it." The respondent says that the applicant fails to say why it sought to register the design as an aesthetic design "when it is clearly functional". The respondent says that "in the above premises" the court should therefore dismiss the application with costs.

[23.9.3] In the replying affidavit the applicant's response to paragraphs in the respondent's answering affidavit specified at the beginning of the preceding paragraph is to be found in par 12.8 and 13 of the applicant's replying affidavit. In par 12.8 of the replying affidavit the applicant disputes the respondent's contention contained in par 40.9 of the answering affidavit that the base has to look the way it does in order to perform the function of a base-sliding surface. The applicant points out that the only requirement to make a base "sliding" is that it be planar. The applicant adds that the remaining features of shape and configuration of the base are aesthetic features. Finally, the applicant says that, while it is correct that the advantages of the crate were identified in par 5.12 of the founding affidavit, it does not mean that the crate as a whole has to look like the registered design to achieve those advantages. The applicant repeats its point that there are innumerable different designs which could function in the same way and yet the respondent chose to make its crate "a virtual carbon copy of the registered design" and has failed to explain why it chose to do this.

Determination of the scope of the registered design

- [24] Before the question of novelty and originality as well as infringement of the registered design can be considered, it is necessary to determine the scope of the registered design. In this regard it is appropriate to begin this process by recalling the policy of legislation making provision for the registration of designs. In this regard counsel for the applicant referred me to Lord Reid's speech in *Amp Inc v Utilux (Pty) Ltd* (1972) RPC 103 (HL) at 107 line 40 – 108 line 25. There Lord Reid said about "the problem" and "apparent policy of the legislation" relating to designs in England as at 1972:

"Those who wish to purchase an article for use are often influenced in their choice not only by practical efficiency but by appearance. Common experience shews that not all are influenced in the same way. Some look for artistic merit. Some are attracted by a design which is strange or bizarre. Many simply choose the article which catches their eye. Whatever the reason may be one article with a particular design may sell better than one without it, then it is profitable to use the design. And much thought, time and expense may have been incurred in finding a design which will increase sales. Parliament has been concerned to see that the originator of a profitable design is not deprived of his reward by others applying it to their goods.

Although what Lord Reid said in the passage above about legislation protecting registered designs was said in respect of English legislation in the 1970's, I think that it reflects sentiments that must, in essence, be true also of the policy behind legislation protecting registered designs in this country as well.

- [25] The determination of the scope of a design registration requires a construction of the definitive statement and the drawings (*Clipsal Australia (Pty) Ltd v Trust Electrical Wholesalers* 2009 (3) SA 292 (SCA) at par 6. As it was said in *Clipsal*, the purpose of a definitive statement is to set out the features of the design for which protection is claimed and is used to interpret the protection afforded by the design protection (see *Clipsal* at par 6). In this case, as was the case in *Clipsal* as well, the definitive

statement is of the omnibus type. It does not isolate any feature of the registered design with the object of claiming novelty or originality in respect of such feature. This means that the shape or configuration of the registered design as a whole has to be considered for purposes of novelty, originality or infringement (Clipsal par 7).

[26] In Clipsal the Supreme Court of Appeal stated that when determining the scope of an aesthetic design protection important aspects flow from the definition of an “aesthetic design”, namely, that design features have to appeal to and be judged solely by the eye (par 8). The court then set out four such aspects as follows:

“First, although the court is the ultimate arbiter, it must consider how the design in question will appeal to and be judged visually by the likely customer. Secondly, this visual criterion is used to determine whether a design meets the requirements of the Act and in deciding questions of novelty and infringement. And thirdly, one is concerned with those features of a design that will or may influence choice or selection and because they have some ‘individual characteristic’ are calculated to attract the attention of the beholder. To this may be added the statement by Lord Pearson that there must be something ‘special, peculiar, distinctive, significant or striking’ about the appearance that catches the eye and in this sense appeals to the eye” (Clipsal, par 8).

Counsel for the applicant submitted that there were two further principles that must be taken into account in determining the scope of the registered design. The one is captured in *Homecraft Steel Industries (Pty) Ltd v SM Hare of Son (Pty) Ltd and Another* 1984 (3) SA 681 (A) at 695 A-D. There Corbett JA, as he then was, said:

“The state of the art at the time when the design was registered and the degree of novelty and originality achieved by the registered design is also an important factor. Russel Clarke (op cit at 85) states:

‘Thus it may be said that a registered design which is possessed of substantial novelty and originality will have broader reading given to the monopoly which it affords than barely novel or original.

In the latter case, where the novelty is small, the court may refuse to hold anything to be an infringement, unless it is almost exactly like the registered design’.

[27] Corbett JA held that the principles enunciated in the statements in the passage quoted immediately above were well-supported by authorities, were sound and logical and of equal application to our law (Homecraft at 695 D). The principle reflected in the last passage quoted above seems to be reflected in a passage in Clipsal where, at par 17, the Supreme Court of Appeal said in part:

“The definitive statement and the drawings have to be assessed in the light of the state of the art to determine the degree of novelty achieved. This is so because where the measure of novelty of a design is small ‘the ambit of the ‘monopoly’ is small. As Burrell suggests, to consider the definitive statement without regard to the prior art would eviscerate its purpose”.

The second of the two principles which counsel for the applicant submitted should be added to the principles is derived from the provision of see 14 (5) (a) of the Act. That is that the court must have no regard to features of the article embodying the registered design which are necessitated solely by the function which the article is intended to perform.

[28] In this matter the definitive statement is of the “omnibus” type because it does not isolate any particular features of the applicant’s registered design with the object of claiming novelty or originality in respect of such features. In this case the applicant’s design is claimed in its entirety. In par 5.11 of its founding affidavit the applicant referred to certain features in the registered design which it described as “prominent features!” This cannot be a basis for a suggestion that only those “prominent features” must be invoked because the whole of the design must be looked at. Nevertheless, there can be no doubt that the use of the adjective “prominent” to describe those features means that those features would easily catch one’s eye. Those features are:

(a) the base sliding surface found on the base of the create;

(b) the flared mouth and cylindrical closure receiving socket combination;

(c) the non-rotate flags located on the tertiary support posts, and;

(d) the elongate friction ribs on each of the primary and secondary support posts.

As counsel for the applicant submitted, in determining the scope of a registered design the court must have regard to the “visual aspects” of the registered design that will appeal to the likely customers of the goods in question. I am of the view that the features that the applicant described in the founding affidavit as prominent appeal to the eye and are to be judged solely by the eye. That respondent complained that the applicant did not specify which of the features of the registered design were intended to be aesthetic. Although the design must be looked at as a whole, it seems to me that in describing the features that the applicant described as prominent, it succeeded in conveying that those features would easily catch one’s eye or the eye of the likely customer. The shorter Oxford English Dictionary describes the word “prominent” as *inter alia* meaning: “standing out so as to catch the attention, conspicuous, distinguished above others of the same kind”. Having examined those features I am of the opinion that they catch one’s eye. In this case there can be no doubt that the likely customers are soft drink manufacturers and retailers. When all is said and done, the design must be considered as a whole for the purpose of determining its validity and its infringement. In this regard I note that in Clipsal’s case reference had been made to a “dominant aesthetic feature” of the design (see pr 11 of the Clipsal judgment).

The contention that the registered design was not an aesthetic design at the time of application for registration.

[29] The first point that was argued by counsel for the respondent was in effect that the applicant’s design was not an aesthetic design and that, for that reason, its registration was invalid because the design was not registrable as an aesthetic design. In this regard Counsel for the respondent referred to the areas in the affidavits in which the respondent had sought to show that the features of the applicant’s design were not aesthetic and were simply functional. He submitted that the onus was upon the applicant to show that the design was registrable. There was quite some debate between the parties before me on the question of onus in regard to this point. In the view I take of this matter it is not necessary to decide the issue of onus. This will be

apparent later in this judgment. Indeed, on the facts of this case I find it unnecessary to decide this issue.

[30] In so far as the respondent seeks to invoke the provisions of sec 14(5) of the Act, I am of the opinion that it has not shown that all the features of the applicant's bottle carrier are necessitated solely by the function which the bottle carrier is intended to perform. Indeed, it has not even shown that the majority of the features of the applicant's bottle carrier were necessitated solely by the function which the bottle carrier was intended to perform. I do not propose to deal with each feature in this regard but even in its own answering affidavit, in respect of some features the respondent did not even aver that such features were necessitated solely by the function which the bottle carrier was intended to perform. Without having made averments to this effect in respect of such features, the respondent cannot even begin to argue that such features were necessitated solely by the function which the bottle carrier was intended to perform. A reading of the respondent's answering affidavit from paragraphs 40.1.1 to par 45 will reveal the features to which this applies. It is important that it be understood that sec 14(5) only applies to a feature that is necessitated solely by the function which the article is intended to perform. The evidence placed by the applicant before the Court reveals that on the whole the features which the respondent sought to contend were functional did not need to look the way they do for them or the bottle carrier to perform the function that they do. In terms of sec 35 (5) of the Act the defendant in proceedings for infringement may counterclaim for the revocation of the registration of the design and, by the way of defence, may rely upon any ground on which the registration may be revoked. One of the grounds upon which a design may be revoked under sec 31 (1) of the Act is that the design "is not registrable under sec 14." Two of the requirements for the registration of an aesthetic design under sec 14 are that it must be new and original. However, in this matter the basis upon which Counsel for the respondent contended that the applicant's design was not registrable when the application for its registration was made, was that the design was not an aesthetic design. He contended that the features of the registered design were all necessitated solely by the function of the bottle carrier of the applicant.

[31] In reply to the respondent's point that features identified by the applicant in its founding affidavit and upon which the applicant relies are solely functional the applicant says in par 10 of its replying affidavit that the respondent appears to have misunderstood the distinction between a functional design (and a functional feature of a design) and an aesthetic design (and an aesthetic feature of a design). In this regard the applicant points out that a functional design is defined in the Act as one ".having features which are necessitated by the function which the article to which the design is applied, is to perform...". The applicant says that in other words "a functional design is a design which cannot look any other way if it is to perform the function that it does". The applicant submits that it is, therefore, permissible to protect features of an article which perform a function by way of an aesthetic design registration provided the shape and configuration of those features are not necessitated solely by that function. The applicant submits that there is no legal basis upon which a registered design may be invalidated on the ground that it should have been filed as a functional design. The applicant points out, however, that it is correct that functional features of a registered design are to be ignored in construing the scope of a registered aesthetic design for the purposes of determining whether or not it is valid or infringed.

[32] Section 14(5)(a) of the Act provides that no feature of an article shall provide the proprietor of an aesthetic design any rights in terms of the Act if such feature is necessitated solely by the function which the article is intended to perform. I have carefully considered the averments made by the respondent in paragraphs 40.1.1 to par 40.10.2 of the answering affidavit as well as the applicant's reply to those paragraphs in its replying affidavit. I have also examined the various features of the applicant's crate. In my view the onus is upon the respondent to show that all or most of the features of the applicant's crate were necessitated solely by the function which the crate is intended to perform. The onus to which I refer now is not on whether the applicant's design was registrable or not at the time an application was made for its registration. I said earlier in this judgment that on the facts of this case I found it unnecessary to decide the issue of onus on that point. The onus to which I now refer relates to a different point. That is the onus to show that the features of a design that is registered as an aesthetic design are necessitated solely by the function of the

article to which the design is applied. I think that the onus on that point is on the one who seeks to invoke sec 14 (5) and, therefore, alleges that a particular feature of a design is necessitated solely by the function of the article. In my view the respondent has not discharged this onus. That being the case, it cannot be said that most or all of the features of the applicant's crate do not afford the applicant any rights in terms of the Act in respect of such features. Therefore, such features do afford the applicant rights in terms of the Act as part of the whole crate. In any event it must be recalled that the applicant in this case did not seek to rely only on some of the features of the registered design for its protection but sought to rely on the whole design.

[33] Counsel for the applicant submitted in effect that the respondent's contention amounted to saying that it was a requirement of the Act that a design should be shown to be an aesthetic design in order for it to be registered and that, if, after the registration, it could not be shown to be an aesthetic design, this would be a ground for the revocation of such design and, therefore, a ground of defence as well in infringement proceedings. Counsel for the applicant submitted in effect that the respondent misconceived the legal position in this regard. He submitted that there was no such requirement in the Designs Act, 1993. I agree with counsel for the applicant in this regard. That this is so is borne out by the fact that in terms of the Act it is not only an aesthetic design that may be registered but that a functional design may also be registered. The registration of a design, irrespective of whether it is an aesthetic or functional design, confers upon the registered proprietor of the design the right provided for in section 20 of the Act. The provision of section 20 makes no distinction between the registration of an aesthetic design and the registration of a functional design. It simply speaks of "the effect of the registration of a design..." It says that that effect "shall be to grant to the registered proprietor in the Republic..." the right spelt out therein.

[34] Counsel for the applicant referred to the 1967 Act (i.e. the precursor to the current Act) and pointed out that under that Act provision was made for the cancellation of the registration of a design on the ground that it was not a design within the meaning of that term in section 1 of that Act. The word "design" in the 1967 Act was defined in such a manner as to make it a requirement that its features should "appeal to and be judged solely by the eye". That requirement meant that under that Act only an

aesthetic design was regarded as a design. So under that Act the registrar of designs could refuse to register a “design” if such “design” was not an aesthetic design because in such a case a “design” that was not an aesthetic design was not a design as defined in that Act. Under the current Act, that is not the case. Two types of designs are recognised under the current Act, namely, an aesthetic design and a functional design. In this regard it is significant to note that sec 15(3) permits the registration of one design in both Part A and in Part F. It is not the fact that a design is registered in Part A or Part F that confers protection upon the registered proprietor of a registered design. It is the mere act of registration of the design. This much is clear from the provision of sec 20 of the Act. That provision makes no distinction between a registered aesthetic design and a registered functional design in specifying that the registered proprietor of a registered design shall have the right to exclude others from making, importing and disposing of an article that embodies a registered design or a design not substantially different from the registered design.

- [35] Sec 14 (5) of the Act, which has been quoted earlier in this judgment, provides that no feature of an aesthetic design shall grant the registered proprietor of such design any rights in terms of the Act if such feature is necessitated solely by the function which the article to which the design is applied is intended to perform. This provision is the shield which an alleged infringer can use to protect himself against claims of infringement of a registered design where such design has features that are necessitated solely by the function of the article to which the design is applied. It is not a defence for the alleged infringer to say that the design is not an aesthetic design and should not have been registered as an aesthetic design but should have been registered as a functional design. In my view there is significance to be attached to the distinction between features that are contemplated in the definition of a functional design, on the one hand, and, on the other, features contemplated in sec 14 (5) of the Act. In terms of the definition of a “functional design” in the Act the features of a functional design are features which are necessitated by the function which the article (to which the design is applied) is intended to perform. The definition of “functional design” does not require that such features be features that are “necessitated solely” by the function of the article to which the design is applied. Under sec 14 (5) of the Act the features of a design which do not grant the registered proprietor any rights under the Act are not those that are necessitated by the function

of the article (to which the design is applied) but it is those features which are “necessitated solely” by the function which the article (to which the design is applied) is intended to perform. It seems to me that the intention of the Legislature was that, if an alleged infringer complains that the features of a design that is registered as an aesthetic design are not aesthetic, that would not be a defence to an infringement claim as such but the alleged infringer may invoke the protection provided to him by sec 14 (5) of the Act.

- [36] In any event, even if I were wrong in my construction of the definition of the “functional design” and the provision of sec 14 (5) of the Act, I would, nevertheless, reject the respondent's contention that the applicant's design was not registrable because it was not aesthetic. In my view the applicant's registered design is aesthetic. The registered design must be looked at as a whole since the definitive statement relating to it is of the “omnibus” type and this means that it is the shape and configuration of the design as a whole upon which the applicant relies for protection. In addition the applicant has set out certain features of its design which it has described in its founding affidavit as “prominent features” of the design which in my view implies that such features would easily catch the beholder's eye. I have also looked at the photographs of the applicant's registered design, particularly the features said by the applicant to be the prominent features and I am of the opinion that they do catch one's eye. Indeed, I think that they would catch the eye of the likely customer.
- In the light of all the above I reject as bad in law the respondent's defence that the applicant's registered design is invalid because it should not have been registered as an aesthetic design.

Was the registered design new and original at the time of the application for registration?

- [37] The respondent's counsel also contended that the applicant's registered design was not registrable because it was not new and original as required by sec 14(1) of the Act and that, therefore, it cannot be said to have been infringed by the Chespak crate. Section 35(5) of the Act provides that in any proceedings for infringement the defendant may counter-claim for the revocation of the registration of the design in question and may, by way of defence, rely upon any ground on which the registration of the design may be revoked. In terms of section 31(1) of the Act a design may be

revoked upon any one of a number of grounds listed in the provision of that subsection. One of these is that the design in question is not registrable under section 14 of the Act (section 31(1)(c)). Two of the requirements which an aesthetic design must meet in order to be registered under sec 14 are that it must be:

- (a) new; and
- (b) original.

This, therefore, means that a defendant or a respondent in infringement proceedings may, as its defence to a claim of infringement, contend that the aesthetic design was not new and original at the time of the application for its registration. It is necessary in this regard to refer to the provision of section 14(2) in so far as it is relevant. Section 14(2) reads as follows as far as it is relevant herein:

“(2) A design shall be deemed to be new if it is different from or if it does not form part of the state of the art immediately before the date of application thereof or the release date thereof, whichever is the earlier: provided that in the case of the release date thereof being the earlier, the design shall not be deemed to be new if an application for the registration of such design has not been lodged -.

- (a) in the case of integrated circuit topography, a mask work or a series of mask works, within two years; or
- (b) in the case of any other design, within six months, of such release date.”

From the provision of section 14(2) one can say that a design is taken to be new if it is different from or if it does not form part of the state of the art immediately before the date referred to in section 14(2). If it was not different from the state of the art or if it was part of the state of the art immediately before the relevant date, it is not new. If a design is to be said not to have been new, it must be shown that the design formed part of the state of the art at the time when an application was made for its registration. Section 14(3) sets out what the state of the art comprises. Of course, as is the case in patent law, immaterial variations will not be enough to escape the conclusion that the design has been anticipated or was part of the state of the art.

[38] In dealing with lack of novelty of a patent as a ground of revocation of the registration of a patent, Burrell points out that the general and main principle of novelty is that, if the claims are compared with the alleged anticipation and the comparison reveals that the alleged anticipation and the alleged invention are substantially identical, then there is no novelty in the alleged invention, but if there is a difference which is more than practically immaterial, then there is novelty (Burrell: Burrell's South African Patent and Design Law 3rd ed, at p 310, par 4.71.2). Burrell goes on to say that the best method to test for novelty in the case of patents is to take the integers of a given claim seriatim and to look for their counterparts in the alleged anticipation. He says that this is in fact the only sensible method and one that is invariably adopted by our Courts (Burrell, at 231). In this case it is important to point out that there is no single prior art crate which the respondent has put up that has all the features present in the applicant's design. What the respondent has done is to put up different prior art crates and point out that some of the features of the applicant's design that the one prior art crate does not have are to be found in another prior art crate. This is to mosaic a design. In *Clipsal* the court held that it is old law that one is not entitled to mosaic for purposes of novelty (see *Clipsal* at par 13). In *Clipsal* the High Court had held that it was entitled to mosaic different pieces of prior art. The Supreme Court of Appeal held that "it was old law that one was not entitled to mosaic for purposes of novelty." The Supreme Court of Appeal went on and held: "A design is not novel if it forms part of a prior art – meaning that it is to be found in the prior art – and not if it can be patched together out of the prior art" (*Clipsal*, par 130). The Supreme Court of Appeal went on to say:

"This does not mean that absolute identity has to be shown; only substantial identity is required. Immaterial additions or omissions are to be disregarded, so, too, functional additions or omissions. That is why it is usually said that an ordinary trade variant is not sufficient to impart novelty (*Clipsal* par. 14).

The respondent was required to put up one prior art crate that had all the features of the applicant's design or if there were differences, the respondent had to show that the differences were immaterial. This has not been shown to be the case. Even where the respondent alleged features of the applicant's design to be ordinary trade variants, it did not in my view put up sufficient evidence to prove that such features are ordinary trade variants.

[39] In *Sunsmart* this court, through Southwood, J held that “to decide the question of novelty the enquiry proceeds in two stages”. He went on and said: “First, it must be determined whether the occurrence or disclosure (which is alleged to anticipate the design) qualifies as an effective anticipation. Second, (if the occurrence or disclosure qualifies as an effective anticipation) it must be determined whether the anticipation destroys the novelty of the design. In order to carry out the second enquiry it is necessary to establish the ambit or scope of the design registration and the alleged anticipation and to compare the two. If the comparison reveals that the alleged anticipation and registered design are substantially identical there is no novelty in the design as registered. If there is a difference which is more than practically immaterial, there is novelty. This issue is judged by the eye and the general impression is decisive. The question is whether the two appearances, each considered as a whole, are substantially different or not” (see Burrell paragraph 9.72.6-9.72.8).

[40] In the *Sunsmart* case, after formulating the inquiry as above, the court then said that at least one of the items forming part of the state of the art at the time of the application for the registration of the design involved in that case was a tear-drop shape applied to a flag. In this regard it specified a US patent. The court then said: “This ‘sail-flag’ is not substantially different from the plaintiff’s design, and therefore, destroys its novelty. The defendant had accordingly established a defence to the plaintiff’s claims based on infringement of its design registration” (*Sunsmart* par 29). The determination of whether or not a registered design is new requires a comparison between the anticipatory material and the registered design” (*Sunsmart* at par 7).

[41] Burrell says that lack of originality as a separate ground of revocation of a design registration is an innovation of the current Act (Burrell at par 9.73 and 500). He says that in the repealed Designs Act 57 of 1967 the requirement of “new or original” was treated by the Legislature as a single concept and ground of revocation. Burrell expresses the view that the word “original”, which is not defined in the Act, was probably intended by the Legislature to have the same meaning as in the context of copyright law. (Burrell at par 9.73 at 500). He says that this means that the requirement that an aesthetic design must also be original before it can be registered

does not mean that “the aesthetic design must be in any way unique or inventive but merely that it should be the product of the author’s labours and should not be copied from other sources. An aesthetic design can still be original notwithstanding that it has been copied from a previous work provided sufficient skill and effort have been embodied in creating the subsequent work” (Burrell at par 9.73 at 500).

[42] In **Clipsal** the court dealt with novelty and originality. In par 20 the court said in part:

“The current Act of 1993 differs from its antecedents. It requires that a design must be new and original. Only novelty is tested against the defined prior art (a design shall be deemed to be new if it is different from or if it does not form part of the state of the art. There is no measure against which originality has to be tested.”

The court then went on to say that the requirements that an aesthetic design must have “some ‘individual characteristic’ ‘calculated to attract the attention of the beholder’ and that there must be something ‘special, peculiar, distinctive, significant or striking’ about the appearance that catches the eye and in this sense appeals to the eye have nothing to do with originality. The court continued and also pointed out that originality can also not be equated with not being commonplace. The Supreme Court of Appeal then said:

“The only other meaning ‘original’ can bear is one that is the same or akin to the meaning in copyright law, something that is not far-fetched if regard is had to the fact that the 1916 Act spoke of design copyright. As was said by Mummery LJ in *Farmers Build v Carier* [1999] R.P.C 461 at 482:

The court must be satisfied that the design for which protection is claimed has not simply been copied (e.g. like a photocopy) from the design of an earlier article. It must not forget that, in the field of design of functional articles, one design may be very similar to or even identical with another design and yet not be

a copy: it may be an original and independent shape and configuration coincidentally the same or similar. If, however, the court is satisfied that it has been slavishly copied from an earlier design, it is not an original design in the copyright sense)".

[43] In par 56.6 of its answering affidavit the respondent averred that both the applicant's registered design crate and the respondent's Chespak crate are "mere slavish reproductions of the Benchmark crate design and whatever adaptations incorporated therein are dictated by functional trade variants and improvements. . ." In par 14 of its replying affidavit the applicant stated that the Benchmark crate referred to by the respondent is referred to in par 56.4 of the answering affidavit as being a Megapak design originating from 1998 but points out that its features are neither explained nor illustrated and that, therefore, on this ground the respondent's attack on the registered design on this basis should fail.

[44] In par 58.3 of the answering affidavit the respondent states that the base sliding surface of the applicant's crate is a common trade variant present in the 1986 crate of Megapak. The respondent says that this can be seen in the photographs no. P4 and no. P5 of the 1996 Megapak crates (the photographs of the 1986 and 1996 Megapak crates respectively). In par 18.1 of its replying affidavit the applicant points out that photograph no. P4 shows a base surface which differs materially from the registered design in that the shape of the bases of the posts are semi-circular as opposed to half an antagon. The applicant says that photograph no. P5 looks nothing like the base-sliding surface of the registered design.

[45] The respondent admits that the guide ribs in the applicant's registered design are a feature which is not to be found in the Megapak 1997 crate which, according to the respondent, constitutes the prior art which has the most features of the applicant's registered design. The guide ribs are feature no. 8 in the table provided by the respondent at page 26 of the answering affidavit. However, the respondent says that the guide ribs are a well-known trade variant present even in the 1986 Megapak crate. In this regard the respondent refers to photograph no. P7 attached to its answering affidavit. It also refers to photograph no. P8 which it says is a 1991 crate by the

Swaziland Bottling Co. In par 18.6 of its replying affidavit, the applicant points out that the guide ribs in photograph no. P7 are substantially different from those of the registered design. The applicant states therein that the ribs are “proud relative to the base whereas those of the registered design are angled inwards relative to the base, creating an entirely different impression”.

[46] The respondent admits that the non-rotate flag in the applicant’s registered design (“feature 16 in the respondent’s table on page 26 of the answering affidavit) is not to be found in the 1997 Megapak crate. The respondent also admits that the non-rotate ribs of the applicant’s registered design are a feature that is not to be found in the 1997 Megapak crate but says it is a well-known variant. In support of its statement that the non-rotate ribs are a well-known trade variant, the respondent says in par 58.8 of its answering affidavit that this can be seen in photograph no. P18 of the 1996 Megapak crate, photograph no. P17 of the 1991 crate of the Swaziland Bottling Co., photograph no. P18 of the 1996 Megapak crate, photograph no. P19 which is a glass crate of Mega Plastics and photograph no. P20 which is a photograph of the 1997 BKG crate. The applicant points out in par. 18.3 of its replying affidavit that the respondent relies on photographs no P16 to P20 to support its contention that the elongate ribs of the registered design are a common trade variant. The applicant points out in par 18.3 of its replying affidavit that only the ribs in photograph no. P16 bear any resemblance to those of the registered design and they are different in that they extend only half-way down the post before meeting a ledge extending around the circumference of the post. The applicant says that the overall impression created is entirely different.

[47] In par 17 of its replying affidavit the applicant draws attention to the four features of its registered design which the respondent has admitted are not to be found in the prior art or in the 1997 Megapak crate. The applicant then points out that those features (which are features 7, 8, 16 and 17 in the table on page 26 of the respondent’s answering affidavit) correlate directly with the four “prominent” features of the applicant’s registered design identified in paragraph 11 of the founding affidavit. The applicant points out in par 17 of its replying affidavit that those features are not ordinary trade variants and their shapes and configurations are not necessitated solely by their function. The applicant points out in par 17 of the replying affidavit that in fact

the respondent concedes in par 58.7 of its answering affidavit that the non-rotate flags are not “disclosed in the prior art” at all. The applicant also points out that it is implicit in par 58.10 of the respondent’s answering affidavit that the respondent does not consider this feature to be an ordinary trade variant. In any event the applicant points out in par 16 of its replying affidavit that even if the meticulous analysis used by the respondent in comparing the registered design with prior art were permissible in the determination of novelty in the light of a prior art document or article, which it contends is not permissible, the fact that all but four features of the registered design were disclosed in the prior art crate is not sufficient to invalidate the registered design for lack of novelty. In fact in par 17 of the replying affidavit the applicant points out that those four features missing in the prior art are the four features the applicant identified in its founding affidavit as the prominent features of the registered design. Later in the replying affidavit (par 36) the deponent to the applicant’s founding and replying affidavit’s says that, in identifying the prominent features in his founding affidavit, he did so with a view to pointing out their aesthetic appeal.

- [48] In conclusion to the question whether or not the applicant’s registered design formed part of the prior art and, was, therefore, not novel at the time that the application was made for its registration the answer has to be an emphatic no. The applicant’s registered design was not part of the prior part at the time. Accordingly, I conclude that it was new as required by sec 14 (1) of the Act. As to the question whether or not the applicant’s registered design was a copy of an earlier design, the answer is also an emphatic no. Accordingly, I conclude that the applicant’s design was original as required by sec 14(1) of the Act. That being the case the respondent’s contention that the applicant’s registered design was not registrable because it was neither new nor original falls to be rejected.

Infringement

- [49] Section 20(1) provides that the effect of the registration of a design is to grant the registered proprietor of the registered design the right to exclude others from making, importing, using or disposing of any article included in the same class embodying the registered design or a design not substantially different from the registered design “so that he shall have and enjoy the whole profit and advantage accruing by reason of the

registration” (Burrell at 503). From this it follows that conduct which constitutes an element of infringement is the making, using, importing or the disposing of any article included in the same class as the registered design if that article embodies the registered design or a design not substantially different from the registered design.

[50] The first step in the determination of infringement of a registered design is to ascertain whether the defendant or respondent has made, used or imported or disposed of an article. If the defendant/respondent has done any of those four acts, the next question is to determine whether the article that the defendant had made or used or imported or disposed of is in the same class as the class in which the registered design is registered. (Burrell at par 9.82 at 504). If it is not, there can be no infringement and that would mark the end the inquiry. If, however, the position is that the article is in the same class as the class in which the registered design is registered, the inquiry must proceed to the next stage. The next stage is to construe the representations and definitive statement filed in support of the application for registration to determine whether or not the allegedly infringing design falls within the scope of the design registration (Burrell at par 9.82 at 504). The definitive statement is central to the inquiry and it plays a role that is akin to a claim in a patent specification (ibid).

[51] Whether or not the allegedly infringing design is or is not an infringement of the registered design is determined by the eye of the court through the spectacles of the likely customer of the class of article to which the registered design is applied (Burrell par 9.82 at 504). The two must be viewed side by side and separately (Burrell at par 9.82 at 504). Burrell says that the test is: has the alleged infringement substantially the same appearance as the registered design? (Burrell at par 9.82 at 504). In support of this Burrell cites the case of **Tesla Radio Corporation of South Africa (Pty) Ltd v Mullar SA (Pty) Ltd, 1957 (4) SA 140(W) at 141 A-B**. In Homecraft the Appellate Division formulated the test for the determination of infringement of a design thus:

“ The test for infringement is whether the article alleged to infringe embodies the registered design or a design not substantially different from the registered design. (s15(1)). This must be decided by the eye, and in applying this visual test the Court must bear in mind the reaction of the likely customer. The two designs must be viewed and

compared side by side and also separately. Ultimately it may be a matter of degree”.

Burrell points out that it is sometimes necessary to determine what the essential features of the registered design are and, if the essential features have not been adopted, according to Burrell there will be no infringement (Burrell *ibid*). If there is no specific claim in the definitive statement of any particular feature or features of the design, depicted in the representations, the design registration is a registration for the design as a whole. In such a case another design will only be an infringement of the registered design if it is not substantially different from the registered design looked at as a whole (Burrell at par 9.82 at 504). According to Burrell, where a special feature is claimed in the definitive statement, anyone copying such a special feature would be guilty of an infringement although apart from the feature, he had not come so near the registered design as a whole to be an infringer (Burrell at par 9.82 at 505).

[52] The determination of design infringement involves the determination of whether or not the respondent's product embodies the registered design or a design not substantially different from the registered design. The search is not for differences but for substantial ones. (Clipsal, par 21). In Clipsal, the Supreme Court of Appeal rejected the application of the notion of imperfect recollection in the field of design law. It emphasized that in the determination of design infringement the test is, unlike in the law of trade marks, not whether or not there is confusion or deception. It said that the test for the determination of design infringement is closer to the test for the determination of patent infringement (Clipsal, par 22).

[53] In Clipsal the court invoked a passage from the **Incandescent Gas Light Co v de Mare etc System 13 RPC 301 at 303** and said in effect that that passage which was in respect of the determination of the infringement of a patent, revealed the test for the determination of design infringement. The passage from The Incandescent Gas Light case reads as follows:

“When, however, you come to make that comparison, how can you escape from considering the relative magnitude and value of the things taken and those left or varied; it is seldom that the infringer does the thing, the whole thing, and nothing but the thing claimed by the specification. He always varies,

adds, omits and the only protection the patentee has in such a case lies, as has often been pointed out by every court, from the House of Lords downward, in the good sense of the tribunal which has to decide whether the substance of the invention has been pirated”.

After quoting this passage with approval in *Clipsal*, the Court immediately went on to compare the alleged infringer’s product with the registered design. In par 25 of the judgment the Court said in part:

“There is against this background another way of determining whether there was infringement and that is to ask whether, if the respondents’ article had been part of the prior art, the design would have been new. The answer must be no because the move of the position of the switches and the removal of the steps on the narrow sides of the surrounds would have been regarded as trade variants. What anticipates if earlier, in general terms, infringes if later, the converse of the general rule mentioned earlier. It follows that the differences, which are per se insubstantial, do not save the respondents from infringing”.

[54] Whether or not the respondent’s Chespak crate is an infringement of the applicant’s registered design must be decided by the eye, bearing in mind the reaction of the likely customer (Southwood, J in *Sunsmart’s* case at par 24). In support of this statement the Court in *Sunsmart* cited **Homecraft Steel Industries (Pty) Ltd v S.M Hare & Son (Pty) Ltd and Another 1984(3) SA 681 (A) at 6491**. After this the Court in *Sunsmart* went on to say, applying this test, that its view was that the defendant’s flag or banner was not substantially different from the plaintiff’s registered design and, unless the design registration was invalid, the defendant’s product infringed the plaintiff’s design (*Sunsmart’s* case at par 25).

[55] The applicant contends that the Chespak crate of the respondent is strikingly similar to the registered design and embodies the registered design or a design not substantially different from the registered design. If this is correct, then, the respondent’s Chespak

crate would be an infringement of the applicant's registered design because it is common cause that the applicant did not consent to the respondent making, using or importing or disposing of the Chespak crate. In support of its contention that the Chespak crate is strikingly similar to the registered design or embodies the registered design or a design not substantially different from the registered design, the applicant says in the founding affidavit that all the main features of the registered design appear in the Chespak crate. The applicant identifies a number of important features of the registered design as its main features. It sets them out in paragraphs 6.5.1 to 6.5.7 of its founding affidavit. I deal with these features below as well as the respondent's answer to those paragraphs.

[55.1] Annexure HJS 3.1 to the founding affidavit

The applicant has provided a photograph of a side by side plan (top) view comparison of the Chespak crate and the registered design. The applicant says at par 6.5.1 of the founding affidavit that this comparison shows that all of the features of the registered design have been incorporated into the Chespak crate. The applicant says that the shape and configuration of the Chespak crate and the registered design are identical. It further says that importantly the elongate non-rotate ribs on the primary and secondary support posts are clearly evident in the Chespak crate (in identical form to the registered design). In the photograph marked "HJS 3.1" the ribs are marked as "A".

[55.2] Annexure HJS 3.2 to the founding affidavit

In par 6.5.2 of its founding affidavit the applicant refers to annexure "HJS 3.2" to the founding affidavit which it says is a "perspective (top) view comparison of the Chespak crate and the registered design". The applicant points out in par 6.5.2 that the elongate non-rotate ribs are clearly visible on the Chespak crate. It points out further that the non-rotate flags located on the tertiary posts of the registered design are also clearly evident on the Chespak crate. These are marked "B" in annexure "HJS 3.2". The applicant also draws attention to the step-like bearing formations which points are clearly visible on both the primary and secondary posts of the Chespak crates.

[55.3] Annexure “HJS 3.3” to the founding affidavit

The applicant says in par 6.5.3 of the founding affidavit that annexure “HJS 3.3 (I) and (II) to the founding affidavit are “perspective (top) close up views of the Chespak crate showing features “A” and “B” referred to above of the registered design more clearly.

[55.4] Annexure “HJS 3.4” to the founding affidavit.

The applicant points out that annexure “HJS 3.4” to the founding affidavit is a side-by-side comparison of the “perspective (bottom) views of the Chespak crate and the registered design”. The applicant points out in par 6.5.4 of the founding affidavit that the Chespak crate includes all of the features of the registered design. In particular the applicant points out that the shape and configuration of the Chespak crate are the same as the shape and configuration of the registered design. The base-sliding surface of the registered design is marked “C” in annexure “HJS 3.4”. The applicant also draws attention to “the flared mouth and closure receiving socket features” of the registered design which are present in the Chespak crate. These are marked “D” in annexure “HJS 3.4” on the Chespak crate.

[55.5] Annexure “HJS 3.5” to the founding affidavit.

The applicant avers in par 6.5.5 of the founding affidavit that annexure “HJS 3.5” is a perspective (bottom) view comparison of the Chespak crate and the registered design. The applicant says that the features in the registered design are present in the Chespak crate.

[55.6] Annexure “HJS 3.6” to the founding affidavit

In par 6.5.6 of the founding affidavit the applicant says that annexure “HJS 3.6” is a “close up” view of the features depicted in annexure “HJS 3.5” referred to above. The applicant points out that in particular the flared mouth, which is marked as “E” and the cylindrical closure-receiving socket, marked “F”, which are collectively shown as “D”, are both clearly illustrated in the Chespak crate.

[55.7] Annexure “HJS 3.7” to the founding affidavit.

In par 6.5.7 of the founding affidavit the applicant says that annexure “HJS 3.7” to the founding affidavit is a side view comparison of the Chespak crate and the registered design.

[55.8] Annexure “HJS 3.8 to the founding affidavit.

The applicant points out in par 6.5.7 of the founding affidavit that annexure “HJS 3.8” to the founding affidavit is an end view comparison of the Chespak crate and the registered design.

[56] In paragraphs 58.1 to 58.12 of its answering affidavit the respondent responds to paragraph 6.5 of the applicant’s founding affidavit which refers to, and deals with, annexures “HJS 3.1” to “HJS 3.8” to the founding affidavit which I have discussed above. In paras 58.1 to 58.12 the respondent focuses not so much on saying that the Chespak crate does not have the features dealt with in par 6.5 of the founding affidavit (although in a limited way it does this), but in the main it focuses on seeking to show that a comparison of the registered design and the closest prior art reveals that Megapak 97/10112 and Megapak 86/1447 anticipated the applicant’s registered design and, therefore, the registered design was neither new nor original. I have above dealt with the respondent’s defence that the applicant’s design was not new and original and found that the defence cannot be sustained on a comparison of the registered design and the prior art. Accordingly, I rejected the defence. I do not therefore, propose to repeat here what I said earlier when discussing that defence.

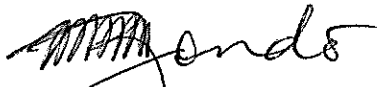
[57] I have carefully examined annexures “HJS 3.1” to “HJS 3.8” to the founding affidavit. I agree with the applicant that the Chespak crate is strikingly similar to the registered design. My evaluation is that such differences as there are between the applicant’s design and the respondent’s crate are immaterial differences. In terms of sec 20 of the Act the registration of a design confers upon the registered proprietor of such design in the Republic the right to exclude others from making, importing, using or disposing of any article included in the class in which the design is registered which embodies the registered design or a design not substantially different from the registered design. I have no hesitation in concluding in this case that, in my view, the Chespak crate embodies the applicant’s registered design or a design not substantially different from the registered design and is strikingly similar to the

applicant's design. It is common cause that the respondent's crate is included in the class in which the applicant's design is registered. It is also common cause that the applicant did not at any time give the respondent consent or authority to make or use the Chespak crate. In the light of all this the conclusion has to be that the respondent has infringed the applicant's right provided for in sec 20 of the Act. I conclude, therefore, that the Chespak crate constitutes an infringement of the applicant's registered design. With regard to costs, the respondent did not argue that this was not a case in which the applicant was justified in employing the services of two Counsel. I am satisfied that the employment of two Counsel was warranted in this case. I record that the respondent abandoned an application for the revocation of the registration of the applicant's registered design. This was because it had failed to cite the Registrar of Designs and to serve the papers on him.

[58] In the premises I make the following order:

- (a) the Respondent is hereby interdicted from infringing the applicant's South African registered design number A2000/141 (hereinafter "the registered design") by making, using, importing and/or disposing of any product falling within the scope of the registered design during the currency of the South African design.
- (b) the respondent is ordered to deliver up to the applicant any infringing product or any article or product of which the infringing product forms an inseparable part.
- (c) there is to be an inquiry into damages suffered by the applicant as a result of the respondent's infringement of the applicant's South African registered design number A2000/141.
- (d) should the parties be unable to reach agreement as to the future pleadings to be filed and served, discovery, inspection and other matters of procedure relating to the inquiry referred to in (c) above, either party is hereby granted leave and authorised to make an application to this court for directions thereto.
- (e) it is hereby certified in terms of sec 41 of the Designs Act, 1993 (Act 195 of 1993) that the applicant's South African registered design number A2000/141 is valid.

- (f) the respondent is to pay the applicant's costs, such costs to include those consequent upon the employment of two counsel.



ZONDO, J

Appearances:

For the applicant : Mr. L. Bowman SC
(with Mr.G. D. Marrott).

Instructed by : D. M. Kisch Inc, Pretoria.

For the respondent : Mr. A. J. Bester SC

Instructed by : Hahn & Hahn, Inc.,Pretoria

Date of hearing : 7 February 2011

Date of order : 30 September 2011

Date of full judgment : 6 October 2011

