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patents • trade marks • copyright

point



Message from the editor

There are less than 40 days until the kick-off of the 2010 FIFA World Cup. For those who have been following the media reports, you will know that the build up has not been without its fair share of controversy. It is also reasonable to say that emotions across the nation are mixed. Whether fellow South Africans are excited or filled with apprehension, we cannot deny that a premier world event will soon begin and history will certainly be made. Although I wish that I had the gift of foresight I cannot envisage how the 2010 FIFA World Cup will play out and what impact it will have on the country. What I can say is that we are expecting soccer euphoria, nail biting matches and hoping for a warm welcome and safe stay to all our visitors.

This being the first edition of Point for 2010, we have used the hallmark 2010 FIFA World Cup as a platform to present you with an in-depth look at South Africa's intellectual property legislation, in particular our Copyright Act, the ASA Code of Advertising Practice, the ASA Sponsorship Code and our Ambush Marketing provisions. For those at the far corners of the globe who have not yet heard the loud and piercing sounds of the vuvuzelas, we have featured an article from an intellectual property ownership standpoint on this instrument. The 2010 FIFA World Cup fever aside we also provide you with a detailed look at Globalization and its effect on South African Patent Law and the Protection of Stem Cell Inventions in South Africa.

A special mention to Brendan Mullin and Dr Owen Dean, following 42 and 38 years of service with the firm respectively retired at the end of February 2010. Brendan Mullin is a leading specialist in domestic trade marks and company law. Dr Owen Dean is a foremost authority in trade mark litigation, copyright law, competition law, and media and entertainment. On behalf of the firm, I convey a special thank you to both Brendan and Owen for their tremendous contributions to the field and for leaving behind a legacy of the highest standard of excellence and professionalism.



COUNTDOWN
38 DAYS
11 HOURS
27 MINUTES
26 SECONDS



IP in Africa

Fifa scoring copyright goals

Introduction

FIFA places a high priority on protecting its own intellectual property rights and the rights of the official event sponsors in connection with the 2010 FIFA World Cup. To this end it has established, and is implementing, a comprehensive and far reaching Rights Protection Program. The success of the 2010 FIFA World Cup will be gauged partly on the extent to which FIFA's Rights Protection Program has achieved its goals. The financial outcome of the soccer World Cup will be significantly influenced by the extent to which FIFA's Rights Protection Program can be satisfactory implemented.

Amongst the array of weapons that FIFA has at its disposal in implementing its Rights Protection Program is copyright. Copyright synchronises well with the other weapons at FIFA's disposal, namely registered trade marks, registered designs, common law protection under the laws of passing-off and unlawful competition, anti-counterfeiting measures, and last, but not least, the rights arising from the state of the art South African anti-ambush marketing legislation.

The Copyright Act

Under the Copyright Act, 1978, copyright subsists automatically in all works eligible for copyright which were made by a person who is a subject of a country which is a member of the Berne Convention, or were first published in such a country. For practical purposes, the members of the Berne Convention comprise virtually all the countries in the world. Accordingly, as a rule of thumb, it can be accepted that all works relating to the 2010 FIFA World Cup enjoy copyright protection in South Africa (and throughout the world)

and, as a general proposition, FIFA owns the copyright in most such works. Copyright protection co-exists with the other various forms of intellectual property and, depending on the circumstances, a work can enjoy multiple protection, for instance under copyright, as a registered design, as a registered trade mark and under the common law.

In the context of the soccer World Cup, works of significance that can be protected under copyright are literary works (works expressed in a verbal form), artistic works (works expressed in a pictorial or visual form, including photographs), cinematograph films (advertisements and recordings of soccer matches), television broadcasts (live broadcasts of the tournament's matches) and program carrying signals (signals carrying renditions of matches transmitted by a satellite to a terrestrial broadcaster).

Infringement Of Protected Works

Probably the most important categories of works for the present purposes are artistic works, cinematograph films and broadcasts. The principal artistic works are the official 2010 World Cup logo, the mascot, known as Zakumi, and the official poster. Both the categories cinematograph films and broadcasts encompass viewings of matches; live and recorded viewings are covered.

Copyright is infringed when one or more of the so-called "restricted acts" that fall within the ambit of the copyright in a particular work are carried out without the authority of the copyright owner. For present purposes these restricted acts include reproduction in any manner or form, making an adaptation of a work, and broadcasting of publically exhibiting a work. Infringement occurs not



only when the work as a whole is dealt with without appropriate authority, but also when any substantial part of that work is involved. This means that, for instance, the unauthorised broadcast of any part having substance of a work will constitute infringement. The question of what constitutes a substantial part of a work is a vague and flexible concept and will be determined by the circumstances of each particular case. The guiding principle is that the assessment that must be made in regard to the part of the work utilised is a qualitative assessment and not a quantitative one.

Control Of Copyright

The copyright owner in respect of each of the relevant works can grant licences, including exclusive licences, to other parties to exercise all or some of the rights comprised within the copyright in a particular work. The ownership of the copyright in a work can also be assigned by the initial owner to another party. In the case of some of the works enjoying copyright pertaining to the 2010 FIFA World Cup, the ownership or control of the rights in question does not necessarily vest with FIFA and may be held by another party. When a third party wishes to exercise any rights in a particular work, it is incumbent upon that party to ascertain the identity of the relevant rights holder and to seek authority to use the work from that rights holder. For instance, the broadcasting rights in respect of the matches comprised in the 2010 FIFA World Cup are held by the SABC. In regard to the preponderance of relevant works, the rights will be held by FIFA. This is particularly true of the insignia pertaining to the 2010 FIFA World Cup, i.e. the official logo, the official mascot and the official poster.

Consequences Of Infringement

In the event that rights in a copyright work are infringed, the infringer can face civil copyright infringement proceedings in which the copyright owner can claim an interdict restraining the unlawful conduct, delivery up of all offending copies of the work in

question to the copyright owner, damages, penal damages imposed at the discretion of the court, and/or costs of suit. Certain forms of copyright infringement, for instance making reproductions for purposes of trade or knowingly distributing infringing copies of a work, can also constitute a criminal offence and an infringer can be liable to prosecution at the instance of the State wherein severe penalties can be imposed.

These penalties can be as much as R5 000 or three years imprisonment, or both, for each offending article, in the case of a first offence, while in the case of a second or further offence, the amount of the penalty can be increased to R10 000 and the term of imprisonment to five years. An infringer could simultaneously face civil copyright infringement proceedings in the High Court as well as a criminal prosecution for the same infringement.

It will be clear from the foregoing that copyright can be a potent weapon in the hands of FIFA for enforcing its Rights Protection Program. This situation is compounded by the fact that a claim of copyright infringement in respect of the misuse a work can be brought simultaneously with other forms of intellectual property infringement claims. FIFA has in the past shown its willingness and resolve to deal severely with intellectual property rights infringers and successful claims have already been pursued in the High Court against infringers.

There is thus every reason to believe that FIFA will not be reticent to pursue copyright infringement claims in the future when instances of infringements of its copyright take place. FIFA has shown itself to be a competent goal scorer when infringements of its copyright and other intellectual property rights occur.

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TM



Fair play – the ASA's role as referee in Ambush Marketing disputes

Although lacking the formal clout of a court of law, the Advertising Standards Authority of South Africa (the ASA) provides one of the most commercially-effective weapons within FIFA's anti-ambush marketing arsenal, at a fraction of the cost and time spent in pursuing the traditional legal route.

The ASA Self-Regulation System

South Africa is one of the many countries worldwide to favour self-regulation of the marketing and advertising industry, due to the cost-efficient, fair and accessible nature of the system. Self-regulation is carried out through the mechanism of the ASA, an independent body established and funded by organisations within the marketing and advertising industry, as well as media owners. These organisations are bound by the guidelines set by the ASA, namely the ASA Code of Advertising Practice and the ASA Sponsorship Code. Alleged breaches of the codes are swiftly and effectively adjudicated upon by the ASA, and errant marketers ordered to withdraw offending advertising. Because its members include all significant media owners, the possibility of suffering this and other penalties is a very real testimony to the might of the ASA.

The Advertising Code

In brief, the Advertising Code requires that advertisements meet certain criteria in order to be acceptable. These criteria include, for example, that advertising should be honest, responsible and not misleading, should not imitate other adverts, or exploit the advertising goodwill in the trade name, symbol, or advertising property of another, without permission.

The Sponsorship Code

While alleged breaches of the ASA Advertising Code could arguably form the basis of a complaint involving ambush marketing, the Sponsorship Code incorporates provisions specifically designed to address this practice, within the framework of South Africa's already beefy anti-ambush marketing legislation. The Code defines ambush marketing as follows:

"The attempt of an organisation, product or brand to create the impression of being an official sponsor of an event or activity by affiliating itself with that event or activity without having paid the sponsorship rights-fee or being a party to the sponsorship contract."

Specified sanctions are visited upon those parties whose conduct amounts to ambush marketing.

Of the Unacceptable Sponsorship Practices identified in the Code under the broad umbrella of ambush strategies, the most commonly used practices fall under the prohibitions relating to *Media Strategies*, and *Sales promotions before and after an event* (Section 10, Article 11). The former category prohibits non-sponsors from directly or impliedly creating an impression that its communications relate to a specific event, or creating an impression that it is an official sponsor of the event. The latter category prohibits non-sponsors from launching event-related sales promotions to give the impression of sponsoring the event.



K. Frizelle



In addition, the Code provides that "imitation of the representation of other sponsorships should be avoided if this misleads or generates confusion, even when applied to non-competitive products, companies or events" (Section 10, Article 3). Although not dealt with under the ambush marketing provisions, the ASA Appeal Committee has held that the imitation provision does apply to ambush marketing by association.

Laduma: SAFA Scores an Early Goal

In recent years, a number of organisations have successfully relied on these provisions of the Code, halting ambush marketers in their tracks. The South African Football Association ("SAFA") is one such complainant which has effectively and astutely used the Code to establish precedent which will no doubt serve it well as the 2010 FIFA World Cup approaches, notwithstanding that the ASA did not address the merits of the matter in each case.

During the course of 2009, SAFA lodged three complaints against respondents which it alleged were seeking to create the impression that they were official sponsors of the national men's soccer team, Bafana Bafana. Hyundai was on the receiving end of the first complaint, which centred around an advertisement offering a promotional ticket to the FIFA Confederations Cup game between South Africa and Brazil, and featuring a Bafana Bafana player wearing the official kit. The advert appeared on the popular Soccer Laduma website, located at www.soccerladuma.com.

Basing its complaint on the unacceptable Sponsorship practices of the Code, SAFA alleged that the advert constituted ambush marketing by Hyundai, since the latter was not a Bafana Bafana / SAFA sponsor, regardless of it being a FIFA Confederations Cup sponsor.

Hyundai responded that it had engaged an agency to design the advert in conjunction with Soccer Laduma, and apologised for any confusion caused. It furthermore undertook not to flight the advert again, or any advert depicting a Bafana Bafana player or the Bafana Bafana trade mark without SAFA's approval.

The Directorate noted the ASA's established principle that, where an advertiser provides an unequivocal undertaking to withdraw or amend its advertising in a manner which addresses the concerns raised, the undertaking is accepted without considering the merits. On this basis, the Directorate indicated that it was satisfied with Hyundai's undertaking, subject to the latter withdrawing the advert within 7 days of the ruling and not using it again in future.

Metrorail was next on SAFA's list, the offending print advert having appeared in the Sowetan of 24 June 2009. The advert showed a group of soccer fans, clad in official Bafana Bafana merchandise and clutching FIFA Confederations Cup tickets, positioned in front of the window of a train. The tagline of the advert read: *"Metrorail. Getting South Africa to the Confederations Cup!"*

Although it addressed the merits of the matter in its response, Metrorail, like Hyundai, opted to take a prudent approach, apologising for its unintentional infringement of SAFA's rights and undertaking not to use the advert again in the near future. The Directorate found that Metrorail's undertaking adequately addressed SAFA's concerns, and accepted the undertaking on condition that the offending advert was withdrawn within the applicable time frames, and would not be used again in the near future.



McCarthy ValueCentre ("McCarthy's") followed in the contrite footsteps of Hyundai and Metrorail, indicating that the dealership responsible for the advert in question was unaware of the infringement involved, and had no intention of violating SAFA's rights or promoting 'sabotage' advertising in any way. The advert, which featured a McCarthy's promotion, was published in a Volksblad supplement of 19 June 2009, and depicted a Bafana Bafana player wearing the official kit. SAFA alleged that the advert amounted to ambush marketing, since McCarthy's was not a sponsor of Bafana Bafana. McCarthy's apologised for the advert which, it transpired, was a once-off supplement designed by an advertising agency on the instruction of a single dealership, and had not been subject to scrutiny beyond the level of the local dealership. McCarthy's indicated that the dealer concerned had undertaken not to publish the advert again, and undertook to ensure that all future advertising would not be published without proper scrutiny.

Countdown to the 2010 FIFA World Cup

Although at this stage there is no real certainty as to whether ASA will adopt a robust or a laissez-faire approach in dealing with ambush marketing complaints, my money is on the former. One thing is clear: sponsors and rights-holders such as SAFA have shown that they will not hesitate to call upon the ASA to act as referee in bouts with ambush marketers, which are sure to increase as the 2010 FIFA World Cup draws near. South African and foreign spectators alike will enjoy a front row seat to disputes played out in this arena, with the ASA's dispute resolution mechanism under the Sponsorship Code taking centre-stage.

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Ambush Marketing

Ambush Marketing can generally be described as a practice whereby a person, often a competitor, intrudes upon public attention surrounding an event thereby deflecting attention towards itself and away from a sponsor. It occurs when a trader seeks to utilise the publicity value of a sponsored event, for instance a major sports tournament or concert, to gain a benefit from it despite not having any involvement or connection with that event and particularly having made no financial contribution to entitle it to derive benefit therefrom.

Ambush Marketing generally takes two forms, namely:

- [i] Ambush Marketing by way of "association" in which case the ambush marketer misleads the public into thinking that he is an authorised sponsor or contributor associated with the event. This can be done by using the insignia of the event or insignia which are confusingly similar thereto and furthermore by misrepresenting to the public in some manner that the marketer or its brand is associated with the event; and
- [ii] Ambush Marketing by way of "intrusion" whereby the ambush marketer does not seek to suggest a connection with the event but rather to give its own brand or other insignia exposure through the medium of the publicity attracted by the event without the authorisation of the event organiser.

In both forms of Ambush Marketing the marketer has the objective of using the event as a platform to promote its brand or product without incurring the financial and other obligations of a sponsor.

One of the most obvious pre-requisites for Ambush Marketing is that the event in respect of which the offending conduct is aimed at is in fact a sponsored event. This includes not only sporting competitions and tournaments such as the FIFA World Cup event, but also stage performances and related entertainment which may have as an enabling platform the support of sponsors. Ambush Marketing is a source of frustration for organisers of sponsored events and the companies which give its support to such events by paying sponsorship fees alike.

The protection of sponsors against possible Ambush Marketing by their competitors is a particularly important obligation on an event organizer. The event organizer accepts financial contributions from its sponsors and in return is required to provide them exclusive marketing rights as far as the event is concerned. If the event organizer cannot guarantee such exclusivity then it faces the real risk that it may not be able to retain the sponsor and possibly also be in breach of its agreement with the sponsors.

There is no exhaustive list of what constitutes Ambush Marketing. Whether a trader is committing an act of Ambush Marketing will depend on the facts of each matter. By way of illustration, the following scenarios may be held to constitute Ambush Marketing:

- [i] Making unauthorised use of a sponsored event's trade marks or logos which may create the impression of an association or connection with the event;
- [ii] Placing advertisements for a product on the outskirts of a stadium at which a sponsored event is taking place through, for example, billboard advertising; and



John Doe



[iii] Running a promotional competition making reference to a sponsored event, including the use of marketing techniques to mislead the consumer, e.g. offering event tickets as prizes.

Anti-Ambush Marketing Laws

There are effectively two Acts in South Africa which contain prohibitions (or in terms of which prohibitions can be declared) against Ambush Marketing. The relevant provisions of these laws are set out below. However, in addition to these laws the South African Advertising Standards Authority [ASA] has incorporated as part of its code on advertising a sponsorship code which (in Article 11 thereof) list certain unacceptable sponsorship practices and for Ambush Marketing to be an objectionable marketing strategy.

- **Trade Practices Act, No. 76 Of 1976**

This Act prohibits certain types of advertisements, statements, communications, descriptions and indications and provides specifically that no person shall in connection with a sponsored event, make, publish or display any false or misleading statement, communication or advertisement which represents, implies or suggests a contractual or other connection or association between that person and the event, or the person sponsoring the event, or cause such statement, communication or advertisement to be made, published or displayed.

The above provisions are primarily aimed at combating Ambush Marketing by way of association.

- **Merchandise Marks Act, No. 17 Of 1941**

The Minister of Trade and Industry has designated the 2010 FIFA World Cup Tournament as a protected event in terms of the provisions of the Merchandise Marks Act. The protected status of the event was



conferred on it on 25 May 2006 and will end six (6) calendar months after the date of commencement of the tournament.

This prohibition entails that for the period during which an event is protected, no person may use a trade mark in relation to such event in a manner which is calculated to achieve publicity for that trade mark and thereby to derive special promotional benefit from the event, without the prior authority of the organizer of such event.

These provisions present a basis on which Ambush Marketing by way of intrusion may be objectionable.

The prohibitions in terms of both the Trade Practices and Merchandise Marks Acts state that a contravention thereof constitutes a criminal offence which is punishable by a fine and/or imprisonment. Civil liability can also arise from a breach of these provisions with unlawful competition as the cause of action. Remedies in this regard may include an interdict/injunction. This was recently confirmed by the High Court in the case of *Fifa v Metcash* a brief overview of which is set out below:

Fifa v Metcash Trading Africa (Pty) Limited [Case No. 53304/07 TPD]

Metcash is a major South African distributor of fast-moving consumer goods, including foodstuffs. It introduced a confectionery product into the market as part of its ASTOR range of products under the trade mark 2010 POPS which it uses in conjunction with partial depictions of the South African



Flag and soccer balls (a representation of which is depicted below). FIFA subsequently instituted High Court proceedings against Metcash primarily on the basis of Ambush Marketing in that the combined elements constituting the packaging allude to or denote the 2010 FIFA World Cup Tournament. Metcash opposed the proceedings and at the hearing of the matter counsel on behalf of FIFA argued in support of their application, inter alia, for an interdict/injunction that the product will be associated with the protected event and more so that Metcash would through the use of its own trade mark on the packaging obtain a special promotional benefit.

The court held that use of the trade mark referred to in section 15A(2) (of the Merchandise Marks Act) includes use of the trade mark in promotional activities which in any way directly or indirectly is intended to be brought into association with or to allude to an event. It was held that the various elements combined on the packaging complained of alluded to Fifa's protected event and that, to quote the court, "[T]he Respondent's conduct clearly falls foul of the provisions of 15 A of the MMA". The court issued an order restraining the Respondent from competing unlawfully with Fifa by contravening the provisions of section 15 A of the Merchandise Marks Act.

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No one entity can lay claim to owning the vuvuzela

There have been a number of press reports in South Africa recently on the issue of who owns the rights to the vuvuzela. In reviewing the fuss and bother around this quasi-musical instrument, it is not clear whether these parties are claiming rights to the trade mark vuvuzela, or the rights to the product itself.

Be that as it may, it is instructive to look at the history of the vuvuzela.

One Freddie Maake, a fanatical Kaizer Chiefs supporter of Tembisa, claims he was the first person to create a vuvuzela, albeit an aluminium version in the 1970s. Maake claims that in 1999, with the assistance of Peter Rice, he produced a plastic version of the vuvuzela. He claims that until the late 1990s he was the only owner of a vuvuzela and the only user of one at soccer matches. In 1999 he launched an album called "Vuvuzela Cellular" which features this instrument.

Neil van Schalkwyk, a director of Masincedane Sports, a company that has been manufacturing plastic vuvuzelas since 2001, is also claiming rights to the name vuvuzela.

The Nazareth Baptist Church has now also stated that the trade mark "vuvuzela" belongs to it. It claims that it has been using the vuvuzela since 1910.

However, no one has done the groundwork required to give effect to ownership of the vuvuzela. There are no valid patents or designs registered in respect of the "musical instrument" that is now called the vuvuzela. Even if this instrument could have formed the subject matter of a design or patent registration, the opportunity of doing so has

long come and gone. The only question now is who, if any, is the owner of the vuvuzela trade mark.

According to the records of the South African Registrar of Trade Marks, 40 trade mark applications, by numerous persons and entities, have been filed over the past eight years for the registration of trade marks incorporating vuvuzela. These trade mark applications are in relation to a wide variety of goods and services.

One of the applicants for these trade marks is Rory Peter Rice (presumably the same person who assisted Maake with the manufacture of a plastic vuvuzela), who in 2004 applied for registration of the trade mark vuvuzela in respect of a "plastic trumpet". Three days before Rice's application, Masincedane Sports also filed an application for the trade mark vuvuzela in relation to "musical instruments", a Mr Mafokate applied for the registration of the trade mark vuvuzela in 2003 and in 2009 so also did Messrs Urbas, Kehrberg and Bartels, all German citizens.



All of the vuvuzela trade marks are still pending, which means that at this point in time no single party can claim to be the registered proprietor of the vuvuzela trade mark in South Africa. Masincedane Sports' application has been accepted by the Registrar but it would appear that this trade mark is currently under opposition, presumably by one of the other people who claim to own the vuvuzela.

Despite the fact that at this point in time no one can claim to be the registered proprietor of the vuvuzela trade mark in South Africa, the question still remains whether any party can claim to be the common law proprietor of the trade mark. A search of the Internet revealed that there are many entities or persons making use of the vuvuzela as a musical instrument. It would appear that most, if not all consumers regard the trade mark vuvuzela as not belonging to any single person.

For example, one can buy vuvuzelas on vuvuzela.co.za, which would appear not to be linked to either Rice or Masincedane Sports. The website that can be found at boogieblast.co.za also advertises vuvuzelas. There are other websites, such as southafrica.info, which openly state that the vuvuzela belongs to the people. Even if one looks at the website of Masincedane Sports, which can be found at vuvuzelas.com, there is no claim on the website that the company regards itself as the owner of the vuvuzela trade mark.

In fact quite the contrary: on its website Masincedane Sports appears to use vuvuzela in a sense to indicate that no single party can claim a monopoly on the name.

Section 10(2)(c) of the South African Trade Marks Act provides that a mark that consists exclusively of a sign or indication which has become customary in the current language is not registrable as a trade mark. In short, a word that is used by all and sundry to describe a particular thing cannot be protected as a trade mark as the word has become generic.

It would appear that the trade mark vuvuzela is used by the people of South Africa to describe a type of "musical instrument". It can therefore be argued that the trade mark vuvuzela has become generic and that no single party will be able to claim ownership of the name vuvuzela when referring to the "musical instrument".

It follows therefore that the people of South Africa are free to use the name vuvuzela to describe the instrument that has also been described by the then journalist now ambassador to Uganda, Jon Qwelane, as "an instrument of hell".

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Globalization and South African Patent Law

Economic globalization refers to the increasing connectivity and interdependence of the world's markets and businesses as a result of the growing scale of cross-border trade of services, flow of international capital and wide spread of technologies. The fast globalization of the world's economies in recent years is largely based on the rapid development of science and technologies.

In light thereof, intellectual property rights have moved from an arcane area of legal analysis to the forefront of global economic policymaking. In reaction to this tide of change concurrent with economic development and intellectual property rights, South Africa has continuously improved its patent system, which paved the way for South Africa into the global economy.

This article outlines crucial historical developments with respect to the inherent characteristics of an invention in South Africa, i.e. the meaning of "invention" and "inventor" and shows how patent law has adapted in the light of economic globalization.

Until 1910 South Africa as an entity did not exist. Instead it was divided into four separate British colonies: the Cape of Good Hope, Natal, the Orange River Colony and the Transvaal. Nevertheless each colony had its own patent law.

The influence of British patent law is and was significant on South African patent law. The Cape Patents Act of 1860 adopted the British concept of an invention. The meaning of "invention" in this Act was the same as in the old English patent law and was limited to "a manner of new manufacture". An invention is a manner of manufacture when it has an industrial application. Manufacture connotes the making of something, it is, therefore,

implied that a process of manufacture is associated with a vendible product. As will be seen from the definition of "invention" to follow, this meaning is very narrow in scope.

The Cape Patents Act of 1860 also provided that patents be granted "to the first and true inventor of any invention". In England, before the commencement of the British Patent Act of 1977, the term "inventor", included a person who had imported an invention into England. Furthermore, a foreign inventor could communicate the invention (directly or indirectly) to some person in England and allow that person to make the application as the "inventor", by reason of having imported the invention from abroad. Thus the English concept of a communicatee i.e. a mere importer of an invention of a foreign country, is included in the definition "first and true inventor".

The first Natal Patents Act, Law 4 of 1870, closely followed the Cape Act. Similarly, the Natal Patents Act also adopted the British concept of an invention. The meaning of invention was again limited to "a manner of new manufacture".

Act 4 of 1870 also provides for patents to be granted to the "first and true inventor", i.e., "inventor" included "importer".

The first Patents Act promulgated in the South African Republic (ZAR) was Law 6 of 1887. This Act gave no definition of an invention but had the qualification that the invention had to be in the industrial field and must be capable of being exploited as an object of trade or industry. Law 6 of 1887 was replaced by Law 12 of 1897, which was in turn replaced by Law 10 of 1898.



Davidoo



Although a number of changes were made, the meaning of "invention" remained unchanged. Law 10 of 1897 was replaced by the Patents Proclamation 22 of 1902. This Proclamation followed the USA and Canadian definitions of invention by listing the species "art, process, machine, manufacture or composition of matter". However, the definition still retained the proviso of usability or applicability in trade or industry.

The applicable portion from the Transvaal Proclamation of 1902 reads as follows:

"The expression 'invention' means any new and useful art, process, machine, manufacture, or composition of matter or any new and useful improvement thereof capable of being used or applied in trade or industry."

This is clearly wider than "a manner of new manufacture" but still excludes several classes on inventions.

Dealing with the meaning of "inventor", Law 6 of 1887 was used as a basis in the decision of *Hay v African Gold Recovery Co* (1896). In this case the judge is reported to have said:

"the words 'first and true inventor' are not to be taken in the artificial sense of the English Law, but in their natural sense. They are not to be limited to persons within the State; nor can inventor carry the meaning of 'importer. The 'first and true inventor' signifies that the person so described made the discovery himself, and that he did so before anyone else in any part of the world".

Thus even by 1896 the artificial meaning of inventor including communicators or importers of inventions was giving way to the more modern definition of inventor, as the actual creator on the invention only.

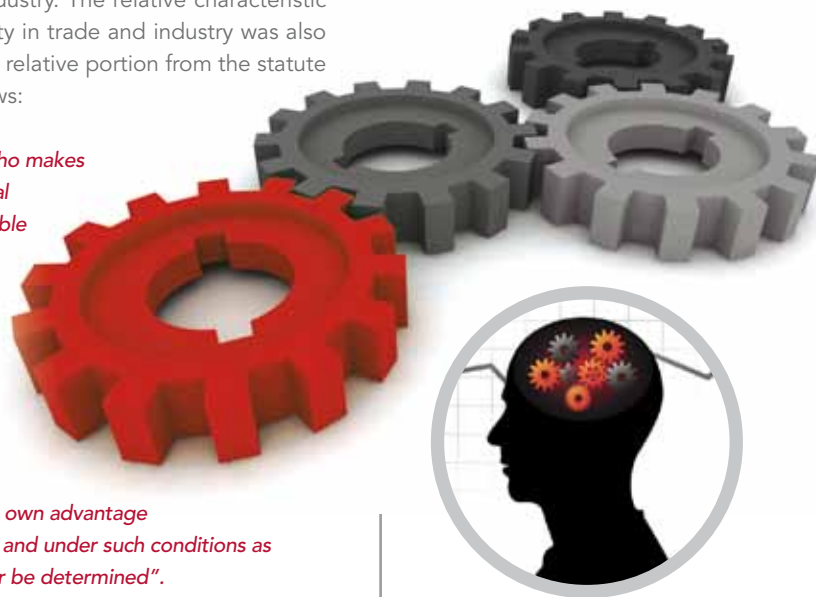
The patent statute that was promulgated in the Orange Free State gave no definition of

an invention but had the qualification that the invention had to be in the industrial field and must be capable of being exploited as an object of trade or industry. The relative characteristic of exploitability in trade and industry was also required. The relative portion from the statute reads as follows:

"Any person who makes a new industrial invention, capable of being exploited as a subject of trade or industry, shall have the exclusive right to exploit such invention to his own advantage for such a term and under such conditions as shall hereinafter be determined".

The statute also followed the ZAR Act 6 of 1887 regarding the meaning of inventor. After Union in 1910, the industrial property laws of the previously separate four colonies were consolidated and amended by the Patents, Designs, Trade Marks and Copyright Act 9 of 1916. This came into operation on 1 January 1917. This Act ignored the Cape and Natal approach and took over the definition of invention from the Transvaal Proclamation. Further, the Act was largely based on the British Patents Act of 1907. In s 6 it is stated expressly that "inventor" shall not include a person importing an invention from outside the Union. Communicatees were, therefore excluded.

In the years following In the years the promulgation of Act 9 of 1916, South Africa increasingly joined the global community and began to give greater significance to become more aware of the importance of intellectual property as way to help increase the value of exports.



As a result, South Africa acceded to the Paris Convention on 1 December 1947. This is regarded as one of the most important developments on the international front. As a result of this Convention, intellectual property rights of any contracting state are accessible to the nationals of other states, party to the Convention.

The Convention further provides that an applicant from one contracting state shall be able to use its first filing date as the effective filing date in another contracting State, provided that the applicant files another application within 12 months from the first filing, in the case of patent applications.

South Africa's accession to the Paris Convention was the first step in bringing in modern intellectual property legislation.

Act 9 of 1916, in so far as patents are concerned, was repealed and replaced by the Patents Act 37 of 1952. The Act came into operation on 1 January 1953. The definition of invention adopted in the 1952 Act is based substantially on the definition in Act 19 of 1916 but two differences of consequence were introduced. Firstly, the species art was broadened and the words "whether producing a physical effect or not" were inserted into the definition. Secondly the definition was broadened to include "plants". Thus, the definition of invention in the Act 37 of 1952 is as follows:

"Invention means subject to the provisions of this Act, any new and useful art (whether producing a physical effect or not), process, machine, manufacture or composition of matter which is not obvious, capable of being used or applied in trade or industry, and includes any distinct and new variety of plant, other than a tuberpropagated plant, which has been produced asexually, and any alleged invention."

It must be noted that Plant Breeders' Rights Act 22 of 1964 has deleted all references to plants in the Patents Act and provided a new "Plant Breeders Act". Thus again the definition of "invention" has widened.

In terms of section 1(vii) of Act 37 of 1952, 'inventor' was defined to include the legal representative of a deceased inventor or of an inventor who is a person under disability, but not including a communicatee.

The most recent revision of South African Patent law took place with the enactment of the 1978 Patents Act. The Act came into operation on 1 January 1979. Most of the provisions in the Act are largely based on the British Patent Act of 1977. The definition of patentable inventions is governed by Section 25 of the Act. Section 25 provides that:

"A patent may, subject to the provisions of this section, be granted for any new invention which involves an inventive step and which is capable of being used or applied in trade or industry or agriculture."

There is no definition of what an 'invention' is, only certain exclusions such as discoveries, scientific theories, mathematical methods, aesthetic creations, computer programs, business methods, the presentation of information, an invention which encourages offensive or immoral behaviour and any variety of animal or plant not being a micro-biological process. Thus anything else is deemed to be an invention. This is evidently a much wider meaning of "invention" than that contained in the 1953 Act.

Although there is no corresponding definition of 'inventor' in the current Patents Act as was in the repealed Act of 1952, it is submitted that the current position is no different from what it was under the repealed Act.



December 31, 1999, was the deadline for all but the least-developed countries to comply with the Trade-Related Aspects of Intellectual Property Rights (TRIPS) requirements of the WTO for extending and harmonizing Intellectual Property Rights. All WTO member countries are required to adopt national legislation and regulations to implement the rules prescribed by the TRIPS agreement. For the purposes of TRIPS, South Africa is deemed to be developed country, and accordingly had until 1 January 1996 to adopt the required legislation to comply with the TRIPS requirements. South Africa became a signatory to the TRIPS agreement on 1 January 1995.

South Africa became a contracting state of the PCT on March 16, 1999. Consequently, nationals and residents of South Africa are entitled to file international applications under the PCT on and after March 16, 1999, and from the same date it was possible to file international applications designating and electing South Africa.

Looking ahead, there are other treaties to which South Africa can contract, to further harmonize its patent laws with those of other countries of the world. The Patent Law Treaty (PLT) is a patent law multilateral treaty concluded on 1 June 2000 by 53 States and the European Patent Organisation. Its aim is to harmonize

formal procedures such as the requirements to obtain a filing date for a patent application, the form and content of a patent application and representation.

The PLT will make it easier for patent applicants and patent owners to obtain and maintain patents throughout the world by simplifying and, to a large degree, merging national and international formal requirements associated with patent applications and patents. In 2005 the number of contracting parties was 11 and by 2009 this increased to 20. South Africa is yet to become a signatory to the PLT.

By continuously revising the patent law and strengthening enforcement of that law, it is clear that South Africa has made great progress in putting in place a modern, transparent and effective patent system. It is expected that with future developments/reforms, the system will prove to be even more useful and beneficial.

For more information contact Tertia Naidoo, t.aidoo@spoor.com



The Protection of Stem Cell Inventions in South Africa

Stem cell research is on the increase as researchers realise the potential of stem cells for the development of possible therapies for treatment of a wide range of human illnesses and diseases which are currently difficult or impossible to treat.

There are a number of different kinds of stems cells, but they all have one aspect in common, the ability to develop into more than one form of human tissue.

Embryonic stem cells are derived from an embryo at the pre-implantation stage of development.

Totipotent stem cells are early embryo cells that can develop into all the different types of cells required to develop into a fully functioning human being.

Pluripotent stem cells, including embryonic stem cells, are able to develop into most human tissues, but are not capable of developing into a human being. There are pluripotent stem cells in the adult body as well, but they are not able to develop into as broad a range of cells as embryonic stem cells. For example, there are bone marrow cells that can develop into blood cells as well as liver or cardiac cells, and neural stem cells that can give rise to neurones and glial cells, but can also develop into heart, lung or liver cells.

Multipotent cells are those that only give rise to a limited number of human tissues.

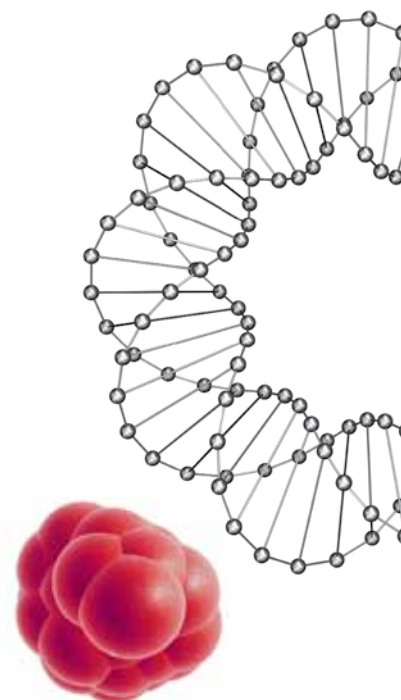
Embryonic stem cell research is controversial, in that it may involve destruction of the embryo which is perceived by some as contrary to morality.

Legislation relating to stem cells in South Africa

The National Health Act 61 of 2004, which was intended to cover stem cells was assented to in July 2004, but chapter 8, which deals with the "Control of Use of Blood, Blood Products, Tissue and Gametes in Humans", has not yet been promulgated. Moreover, the regulations drafted to give substantive meat to the provisions of Chapter 8 have not been well received by researchers, and may be significantly revised. Stem cell use in South Africa is therefore currently governed by the Human Tissue Act 65 of 1983.

The Human Tissue Act requires that written consent by the donor(s) be given for the removal or withdrawal of tissue (unless it is tissue which is replaceable by natural processes, in which case consent may be oral). In addition, tissue may only be withdrawn for medical or dental purposes, subject to certain restrictions. One restriction which pertains to stem cells is that placenta, foetal tissue and umbilical cord tissue may only be withdrawn with the consent of the Minister of Health and is subject to any conditions mentioned in the consent.

The Human Tissue Act provides that no person except an authorised institution may receive any payment for the supply of any tissue for or to another person. The Human Tissue Act also precludes the genetic manipulation of gametes of zygotes outside the human body.

Patentability of inventions relating to stem cells

The South African Patents Act 57 of 1978 does not preclude patenting of stem cells per se. However it is possible that, in particular, embryonic stem cell inventions may fall within the provisions of section 25(4) or section 36 of this Act.

Section 25(4) provides that *"a patent shall not be granted for an invention the publication or exploitation of which would be generally expected to encourage offensive or immoral behaviour..."*

Section 36(1) provides that *"if in the case of any application it appears to the Registrar... that the use of the invention to which the application relates would be generally expected to encourage offensive or immoral behaviour, he shall refuse the application."*

Furthermore, section 36(2) provides that *"If it appears to the Registrar that any invention in respect of which an application for a patent is made might be used in any manner contrary to law, he may refuse the application..."*

In South Africa, as there is no substantive examination of a patent application, it is questionable whether the Registrar will ever refuse an application on this ground. However it remains open to the Registrar to refuse an application on the basis that it would generally be expected to encourage offensive or immoral behaviour.

Furthermore, in South Africa a patent can be revoked on the grounds either that the invention concerned is not patentable under section 25, or that the application for the patent should have been refused in terms of section 36. Thus, even if a patent is granted on an invention which would be generally expected to encourage offensive or immoral behaviour, or which might be used in a manner contrary to law, it can later be revoked on this ground.

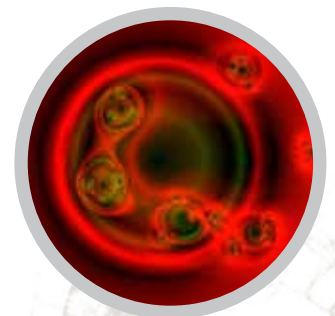
These sections all turn on a question of morality and whether the embryonic stem cell invention would generally be considered to be immoral, either by the Registrar or by the courts.

Our courts have not yet had to deal with this issue, but it is probable that they will consider foreign guidelines when making any decision. The final result may be somewhere between the more restrictive approach that is followed in many countries in Europe and the fairly lenient approach that is followed in the USA.

In Europe, the European Patent Office (EPO) has objected to the patenting of human embryonic stem cells and methods of isolating them. The patent application in question was European patent application EP9690321.1 and the European Examining Division refused the application on the basis that such subject matter is excluded from patentability in terms of Article 53(a) and Rule 23d (now Rule 28(c)) of the European Patent Convention (EPC).

Article 53 provides that no patent shall be granted in respect of *"(a) inventions the publication or exploitation of which would be contrary to "ordre public" or morality..."*

Rule 28(c) provides that no patent shall be granted in respect of biotechnological inventions which, in particular, concern uses of human embryos for industrial or commercial purposes.



The applicant appealed the decision, but the Enlarged Board of Appeal (G02/06) confirmed the rejection *inter alia* on the basis that since the term "embryo" is not defined either in the EPC or the EU Biotech Directive (98/44/EC), which is to be used as a supplementary means of interpretation of the EPC, the exclusion applies to any embryo and therefore cannot be restricted to an embryo of a certain age as was suggested by the applicant.

This decision is more restrictive than legislation in some member states of the EPC. For example, in the UK the Intellectual Patent Office (IPO) has issued guidelines on the patentability of human embryonic stem cells that provide that processes or methods of obtaining stem cells from human totipotent cells are not patentable, and neither are processes of obtaining stem cells from human embryos. This is in keeping with the Rules of the EPC and the EU Biotech Directive. However, a distinction is made between an embryo and a pre-embryo based on findings of the Warnock Report (a report of the Committee of Inquiry into Human Fertilisation and Embryology), which formed the basis for the UK Human Fertilisation and Embryology Act 1990.

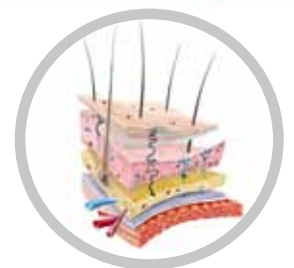
This report sets the deadline for transition from pre-embryo to embryo at 14 days, as this is considered to be a significant stage of development with the advent of the primitive streak, which is a visible longitudinal axis of bilateral symmetry around which all embryonic structures organize and align during the early stages of avian, reptilian and mammalian embryonic development. Therefore, the pre-embryo is patentable in terms of UK law.

It may be argued that the Enlarged Board of Appeal objection in terms of Article 53 specifically relates to the patenting of human embryonic stem cells where it is necessary to destroy the human embryo in order to obtain

the stem cells, as these were the facts before the EPO in the case above. As technology has now developed so that it is not necessary to destroy the human embryo, it is possible that an objection on the basis of lack of morality would not apply to methods involving this new technology. In the UK, for example, it is possible to obtain a patent for inventions involving human pluripotent cells, with the proviso that the cells cannot be derived through destruction of the human embryo.

In the USA, although patenting of "human beings" is prohibited, the United States Patent and Trademark Office (USPTO) has no fundamental policy objection against the patenting of human embryonic stem cells as long as the usual requirements for patentability are met (including novelty, inventiveness and utility). One of the first embryonic stem cells patents granted was for US patent 5,843,780 (corresponding to EP patent application EP9690321.1, which was objected to by the EPO as discussed above).

Recently, the USPTO has upheld this patent and two others which were challenged on the basis of obviousness in re-examination proceedings. Furthermore, the restrictions on federal funding for embryonic stem cell research that were part of the Bush policy in the USA have now been lifted by President Obama. It is possible that this may encourage more research on embryonic stem cells in the USA, with the resultant filing of a higher frequency of embryonic stem cell patents in the US.



Conclusion

As discussed above, there is currently no legislation that prohibits patenting inventions pertaining to stem cells *per se* in South Africa as long as the other requirements of patentability are met. One of these requirements is that the invention must not be "immoral". South African law (in terms of the Human Tissue Act) sanctions certain aspects of stem cell research, such as that placental, foetal and umbilical cord tissue may be withdrawn from a person if the Minister of Health has consented and the prescribed conditions of the consent are followed.

The National Health Act contains a similar provision with embryonic tissue and stem cells additionally specified in the list of tissues. It could therefore be argued that at least these aspects are not considered "immoral" by South African society.

On the other hand, those aspects of stem cell research which are prohibited by law, such as reproductive cloning of a human being, can be argued to be "immoral" and thus not patentable.

It is also important to remember that the granting of a patent does not provide the patentee with the right to perform any act with respect to the invention. Thus, even if a patent is granted, a patentee may be prevented from putting its invention into practice by other South African laws, such as the Human Tissue Act.

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IP in Africa Newscast

Angola

The Industrial Property Office suffers from lack of modern resources. Records and documents are serviced manually - a predicament shared with other territories such as Zanzibar (q.v.). Angola joined PCT and the Paris Convention in 2007. No specific reference to them was contained in or imported into the national Industrial Property Act of 1992 but the Office is recognising those treaty obligations.

Flag:



Coat of Arms:



Capital: Luanda

Population: 12 million

Major languages: Portuguese (official), African languages

Major religion: Christianity

Form of government: Republic

Monetary unit: 1 Kwanza = 100 lwei

Main exports: Oil, diamonds, minerals, coffee, fish, timber

Internet domain: .ao

Time zone: GMT 1

International dialling code: 244

Motto: *Virtus Unita Fortior*, "Virtue is stronger when united."

Aripo

African Regional Intellectual Property Organization has historically provided better protection to patents and designs, under its Harare Protocol, than to trade marks under the Banjul agreement. The problem on the trade mark front has been the enforceability of ARIPO registrations, in countries with common-law heritages where treaties are normally thought to have no effect on national territory in the absence of enabling, national legislation. Moves are afoot to remedy these doubts, as shown during sessions of the Administrative and Ministers' Councils at Gaborone, Botswana in November 2009, when Spoor & Fisher attorneys Heather Donald and Craig Kahn learned of participating countries' and organisations' awareness of the issue. Meanwhile Liberia deposited its Instrument of Accession to ARIPO on 24 December 2009 for both protocols. With effect from 24 March 2010, Liberia becomes the 16th Harare member state and the 9th Banjul member. It is working on its national legislation as reported below.



Mac Spence



IP in Africa

Burundi

A new, consolidated IP code, based on the WIPO model was published in July 2009. However, there are no regulations, forms and fees yet. It seems the Director is being pragmatic and will ensure that they are in place before the Law is brought into force. At that time, existing registrations should be taken onto the new registers. New applications for all rights are intended to be examined and published, in contrast to the current, simple deposit systems.

Flag:



Coat of Arms:



Capital: Bujumbura

Population: 6 million

Major languages: Kirundi (official),
French (official), Swahili

Major religions: Christianity, indigenous beliefs

Form of government: Multiparty republic

Monetary unit: 1 Burundi franc = 100 centimes

Main exports: coffee, tea, sugar, cotton, hides

Internet domain: .bi

Time zone: GMT 2

International dialling code: 257

Motto: Ubumwe, Ibikorwa, Iterambere
(Kirundi, Unité, Travail, Progrès),
"Unity, Work, Progress"

Egypt

The Madrid Agreement having been applicable to Egypt since 1952, the Protocol became effective on 3 September 2009. The relationship between Egypt's national laws and treaties such as Madrid and PCT has been debatable. It is thought by some that 19th century British dominance created a common-law heritage with the result mentioned under ARIPO, above. On the other hand both Madrid and PCT provisions are recognised in practice without specific provisions in domestic law. Recently, the official PCT recognition was illustrated by a notification dated 6 June 2009 clarifying the base dates from which annuities are calculated.

Flag:



Coat of Arms:



Capital: Cairo

Population: 65 million

Major language: Arabic

Major religion: Islam

Form of government: Republic

Monetary unit: 1 Egyptian

Pound = 100 piastres

Main exports: Petroleum, Petroleum Products
and Cotton

Internet domain: .eg

Time zone: gmt 2hrs (3hrs
during summer time)

International dialling code: 20

Motto: Jumhuriyat Misr al-Arabiya



IP in Africa

Djibouti

There are major developments in this strategically important country which is a burgeoning Free Port and a gateway to east and central Africa. The current IP system is based on the French law in force at independence.

Systematically, subsidiary legislation is being made supplementary to the principal laws passed by Parliament in 2009 and mentioned in the last Newscast. These Decrees are supplying regulations, forms and fees but Government still has to allocate land to house the Industrial Property Office ODPIC, which will take over records from the Greffe (Registry) of the civil tribunal.

So no date can yet be predicted for the new system to be up and running but the methodical progression is impressive. The national Courts are already effective and a Djibouti registration may prove an effective weapon in tackling counterfeits destined for several other jurisdictions.

Flag:



Coat of Arms:



Capital: Djibouti

Population: 450,000

Major languages: French, Arabic, Somali, Afar

Major religion: Islam

Form of government: Multiparty republic

Monetary unit: 1 Djiboutian

franc = 100 centimes

Main exports: Re-exports, hides and skins,

coffee (re-exported from Ethiopia)

Internet domain: .dj

Time zone: GMT 3

International dialling code: 253

Motto: Unité, Égalité, Paix,

"Unity, Equality, Peace"

Ethiopia

Since the last Newscast, there has been no visible progress with the draft Regulations to supplement the principal trade mark law proclaimed back in 2006. Meanwhile the Industrial Property Office continues to function fairly effectively as it has, since the 1980s and before, without benefit of statute. Currently the Office staff are fewer than their full complement and recruiting and reshuffles are being made to compensate.

Separate from the trade mark law as such, the Trade Practice Proclamation 2003 is good news for trade mark owners. The Trade Practice Commission investigates complaints of unfair competition and can take administrative measures and/or give penalty decisions. The bad news is that appeals from the Commission to the Federal High Court delay final decisions. Meanwhile a Geographical Indications Bill is expected in Parliament shortly. This form of protection is particularly relevant to the world famous Ethiopian coffee industry; however, the product is more in need of protection outside than within the country.

Flag:



Coat of Arms:



IP in Africa

Capital: Addis Ababa
 Population: 64 million
 Major languages: Amharic, Tigrinya, Orominga
 Major religions: Christianity, Islam
 Form of government: Multiparty republic
 Monetary unit: 1 Birr = 100 cents
 Main exports: Coffee, hides, oilseeds, beeswax, sugarcane
 Internet domain: .et
 Time zone: GMT 3
 International dialling code: 251

Guinea - OAPI Relationship

A vexed situation, emerging since Guinea joined OAPI in 1990, may have been resolved. The status of Guinea national registrations was affected by a series of OAPI pronouncements whose intent was clearly to close down the registration facility operated by the Greffe (registry) of the civil tribunal. It has been uncertain how successful those measures were, vis-à-vis the national system. The quest for clarity was frustrated by loss of communication with those Guinea authorities. Discussion of the subject is available elsewhere on this site [OAPI – Acceding Countries – Extending OAPI Trade Mark Rights – Survival of National Rights (The Guinea Factor)] but the probable short answers are that the last national Guinea registration will expire by 3 December 2013, and all subsisting OAPI registrations extend to Guinea.

Flag:



Coat of Arms:



Capital: Conakry
 Population: 7.6 million
 Major languages: French, various tribal languages
 Major religions: Islam, Christianity, indigenous beliefs
 Form of government: Multiparty republic
 Monetary unit: 1 Guinean franc = 100 centimes
 Main exports: Bauxite, alumina, gold, diamond, coffee, fish, agricultural products
 Internet domain: .gn
 Time zone: GMT
 International dialling code: 224
 Motto: Travail, Justice, Solidarité, "Work, Justice, Solidarity"

Kenya

On the law reform front, progress continues towards implementing the Anti-Counterfeit Act. The Minister has appointed the chairman of the agency, but the executive director remains to be named. This law especially unfolds against a background of controversy. Business people target counterfeiting as an economic threat; and its obvious and immediate menace is against national wellbeing. Pharmaceuticals are especially sensitive targets because the constant need for affordable medicine against HIV/AIDS, malaria and their deadly sisters pits brand owners' legitimate returns on their investments in talent and money, against terrestrial pirates pushing inferior, worthless or lethal products at "bargain" prices. From a different viewpoint, pressure groups for access to essential medicines are challenging the Act in the Constitutional Court on the grounds that it violates the right to health by confusing fake and generic medicines.

Litigation is becoming faster. Decisions have been handed down by the Registrar of Trade Marks, Industrial Property Tribunal and the High Court. Reviews of such cases will be appearing on this site.



IP in Africa

Flag:



Coat of Arms:



Capital: Nairobi

Population: 30 million

Major languages: English,

Major religion: Christianity Swahili

Form of government: Multiparty republic

Monetary unit: 1 Kenya shilling = 100 cents

Main exports: Tea, coffee, horticultural

products, petroleum products

principally re-exported

Internet domain: .ke

Time zone: GMT 3

International dialling code: 254

Motto: Harambee, "Let us all pull together"

Liberia

Since 1972 IP matters were regulated under a codified law of that date. An Industrial Property "Act" was published in 2003 and from its text including various lacunae this was evidently still a draft. During 2009 the IP Office started to issue documents in terms of the 2003 law.

After discussion with the Director, we established that the Act had still not been through Parliament but had been brought into force, as an administrative measure. In common with other practitioners we have now concluded that the *fait accompli* must be accepted. Trade Mark certificates are accordingly being issued with terms regulated by the 2003 Act, i.e. ten instead of 15 years. The caveat must nevertheless be noted that without formal legislation, those terms may be challenged in future. Patent terms remain at

20 years and the annuity pattern is undisturbed in practice.

Productive meetings were held in Monrovia amongst representatives of the Government, WIPO and practitioners, on the future of Liberian IP law and interaction with IP treaties. Specialists have been appointed to propose detailed law reform and practical requirements. Developments in those directions will be reported as they develop. Meanwhile the country has joined ARIPO with effect from 24 March 2010 as reported above. The 2003 Act already provides for ARIPO rights.

Flag:



Coat of Arms:



Capital: Monrovia

Population: 3 million

Major languages: English,

various tribal languages

Major religions: Christianity,

Islam, indigenous beliefs

Form of government: Multiparty republic

Monetary unit: 1 Liberian

dollar (L\$) = 100 cents

Main exports: Diamonds, iron ore,

rubber, timber, coffee, cocoa

Internet domain: .lr

Time zone: GMT

International dialling code: 231

Motto: *The love of liberty brought us here*



IP in Africa

Mauritius

The IP Law of Mauritius was overhauled in 2002 - 2004 when laws dating from 1868 and 1875 gave way to a combined Patents, Industrial Designs and Trademarks Act with separate statutes for geographical indications, integrated circuit designs and protection against unfair practices. A draft consolidated Bill is now under review, embracing all those subjects plus plant varieties, with detailed provisions for enforcement including border measures. Our preliminary impression of an early draft is that there is great, perhaps undue attention to detail revealing reluctance to leave anything to discretion or interpretation. A fresh version is being circulated as this paragraph is written and we look forward to remaining involved.

Apart from law reform, an area ready for development is the Industrial Property Office where the systems are incongruously old fashioned for a nation at the cutting edge of technology.

Flag:



Coat of Arms:



Capital: Port Louis

Population: 1 million

Major languages: English (official), French, Creole, Indian languages

Major religions: Hinduism, Christianity, Islam

Form of government: Multiparty republic

Monetary unit: 1 Mauritian rupee=100 cents

Main exports: Sugar, clothing, tea, jewellery

Internet domain: .mu

Time zone: GMT 4

International dialling code: 230

Motto: *Stella Clavisque Maris Indici, "Star and Key of the Indian Ocean"*

Mozambique

A characteristic of Mozambique trade mark law is the requirement to file periodic Declarations of Intention to Use (DIUs). The feature was inherited from Portuguese law but remains applicable although repealed in Portugal. The Code requires a DIU to be filed for every trade mark registration every 5 years from the date of registration. A notice in the official bulletin of 15 October 2008 appeared to say that, when a DIU falls due in the same year as renewal of the trade mark registration, the DIU need not be filed. That advice was initially accepted but on further study we find the notice is inconsistent with the clear requirements of the Code.

The consequences of non-compliance are complex as is the connected question of filing evidence of actual use, where a DIU has been omitted. We are available for detailed discussion but our short advice is first, that DIUs must be filed at the five-year intervals required by law, whether or not the registrations fall due for renewal at the same time; and secondly that a DIU which has missed being filed on due date should be late-filed as soon as possible. Meanwhile the provisions of the Code relating to geographical indications and appellations of origin have been amended by Decree No. 20/2009. The new definitions focus on the characteristics of the products protected, rather than the place of origin and this is intended to be more TRIPS-compliant than the original wording.

Flag:



IP in Africa

Coat of Arms:



Capital: Maputo

Population: 18 million

Major languages: Portuguese (official), African languages

Major religions: Indigenous beliefs, Islam, Christianity

Form of government: Multiparty republic

Monetary unit: 1 metical (plural meticals) = 100 centavos

Main exports: Seafood, cotton

Internet domain: .mz

Time zone: GMT 2

International dialling code: 258

Nigeria

Substantive changes of legislation are difficult in Nigeria. Several competing Bills are trying to make their way to Parliament but none seems imminent. But there are practical moves afoot. Service marks reared their heads again in 2009. They were introduced in 2007, on the strength of a ministerial regulation and without amending the Act. Pragmatic people filed SM applications, subject to caveats about their validity. Numerous SMs have been registered although the Act remains unchanged.

Last year proposals were floated to challenge the 2007 regulation and SM applications/registrations thereunder, by various alternative proceedings. This firm respectfully agreed with the Intellectual Property Association of Nigeria that such actions would be unwise and we believe that none have in fact been started. IP litigation is common in Nigeria and is reserved for the jurisdiction of the Federal High Court. Such causes have been subject to unacceptable delays, often deliberately engineered. Now, radical changes are proposed

similar to those of Lord Woolf in the UK, under the Federal High Court (Civil Procedure) Rules 2009. If those procedures can be enforced, they should enable IP enforcement cases to be swifter and more predictable.

The Nigerian Office is moving from its former, inadequate accommodation into better quarters. In the short term this makes files very hard to access but hopefully the end result will be a better working environment. A by-product may be renewed delays with Journals; only four appeared in 2009 and none so far this year.

Flag:



Coat of Arms:



Capital: Abuja

Population: 115 million

Major languages: English (official), Yoruba, Ibo, Hausa

Major religions: Islam, Christianity, indigenous beliefs

Form of government: Multiparty republic

Monetary unit: 1 Nigerian naira = 100 kobo

Main exports: Petroleum, petroleum products, cocoa, rubber

Internet domain: .ng

Time zone: GMT 1

International dialling code: 234

Motto: "Unity and Faith, Peace and Progress"



IP in Africa

Rwanda

The new unified IP law, described in the last Newscast has not been brought into effect as this issue goes to press.

Flag:



Coat of Arms:



Capital: Kigali

Population: 7 million

Major languages: Kinyarwanda (official), French (official), English (official), Swahili

Major religions: Christianity, indigenous beliefs

Form of government: Republic

Monetary unit: 1 Rwandan

franc = 100 centimes

Main exports: Coffee, tea, hides, tin ore

Internet domain: .rw

Time zone: GMT 2

International dialling code: 250

Motto: Ubumwe, Umurimo, Gukunda

Igihugu - "Unity, Work, Patriotism"

Seychelles

The archipelago Republic of Seychelles has traditional, separate laws on trade marks, patents and designs, administered traditionally by the Registrar General having several other portfolios. The Supreme Court (superior court of first instance, equivalent to the High Courts of South Africa, England & Wales, etc.) and the legal profession are geared to swift enforcement of rights via interim and permanent interdicts (injunctions) and claims for damages and costs. Independently of the

court, assistance is available to rights owners through the Consumer Protection Board and Director, and National Consumers Forum (NATCOF).

Flag:



Coat of Arms:



Capital: Victoria

Population: 79,000

Major languages: English, French, Creole

Major religion: Christianity

Form of government: Multiparty republic

Monetary unit: 1 Seychelles rupee = 100 cents

Main exports: Fish, cinnamon bark, copra, petroleum products (re-exports)

Internet domain: .sc

Time zone: GMT 4

International dialling code: 248

Motto: Finis Coronat Opus, "The End Crowns the Work"



IP in Africa

Tanganyika (mainland territory of the United Republic of Tanzania)

This jurisdiction persevered with traditionally separate IP laws, having replaced the British-model Ordinances with the home-grown Trade and Service Marks Act 1986 and Patents Act 1987, administered by the Business Registrations and Licensing Agency (BRELA). The absence of specific anti-counterfeiting law has been overcome by amendments to the Merchandise Marks Act, under which counterfeiters are pursued in the magistrates' courts.

Recently however, the urging of WIPO, World Trade Organization and their allies has prevailed and a draft, consolidated IP Code is under consideration at Cabinet level.

Flag:



Coat of Arms:



Capital: Dar es Salaam
 Population: 35 million
 Major languages: English, Swahili (official)
 Major religions: Christianity, Islam, indigenous beliefs
 Form of government: Multiparty republic
 Monetary unit: 1 Tanzanian shilling = 100 cents
 Main exports: Sisal, cloves, coffee, cotton, cashew nuts, minerals, tobacco
 Internet domain: .tz
 Time zone: GMT 3
 International dialling code: 255
 Motto: Uhuru na Umoja, "Freedom and Unity"

Uganda

The September 2009 issue of Point described Uganda's adoption of the International (Nice) Classification 9th Edition and its work on a Trade Marks Bill.

The updated classification is found to be linked to the WIPO-sponsored Intellectual Property Administration System (IPAS) and to have produced some teething troubles. As currently presented, the program attempts to rewrite every specification of goods in a trade mark application, so as to reproduce the complete heading of the relevant class. We are in correspondence with the Registrar General and WIPO with a view to making the system compatible with applicants' needs.

The Trade Marks Bill is still on its way through Parliament, following observations received during the committee stage.

Flag:



Coat of Arms:



Capital: Kampala
 Population: 23 million
 Major languages: English (official), Swahili and other Bantu languages
 Major religions: Christianity, Islam
 Form of government: Republic
 Monetary unit: 1 Ugandan shilling = 100 cents
 Main exports: Coffee, fish and fish products, tea; tobacco, cotton, corn, beans, sesame
 Internet domain: .ug
 Time zone: GMT 3
 International dialling code: 256
 Motto: For God and My Country



IP in Africa

Zanzibar

The Zanzibar archipelago was historically, nominally ruled by Sultans of Omani origin and administered by Britain as a protectorate. Despite its inclusion since 1964 in the United Republic of Tanzania, it retains separate laws on IP amongst many other subjects. A composite IP Code, on the familiar model, was enacted by the legislature in 2008. The Registrar General's department were not ready for it, because there were no regulations, forms and fees and its full implementation has accordingly been delayed. We were privileged to offer draft subsidiary legislation and the author of this Newscast was able to visit the principal island, Zanzibar alias Unguja in January 2010. Friendly and constructive discussions were held with the Registrar General Mr. Abdullah Waziri and his Deputy Mr Mohamed Ahmed and we hope that the outstanding issues may be resolved soon.

The Department, with the rest of the community were found managing valiantly to conduct something approaching "business as usual" despite a prolonged absence of mains electricity. The shortage, due to failure of the cable from the mainland, was partly compensated for by use of private generators. Most commercial operations (including the tourist attractions which are so important to the island economy) were able to generate their own supply without much delay, albeit at great expense. The wheels of government necessarily ground more slowly.

The Registrar General's department has been particularly vulnerable, housed in a waterfront building of great character and antiquity named Mambo Msiige or "Do not imitate me" because its architecture was so modern and striking in 1850. The electrical system may have been less state-of-the-art when added 80 or so years ago and when a generator was

finally connected to it after some weeks' disuse there were fine snaps, crackles and pops. Fortunately neither people nor computers were harmed but in the powerless interim the staff were not ashamed to be among those offices dotted around the region, which still wield manual records and typewriters.

Plans are being made to house the Department in bespoke, modern premises so that the historic building may be restored as such.

Flag:



Seal:



Capital: Zanzibar

Population: 1 million

Major languages: English, Swahili and Arabic

Major religions: Islam, Christianity and Hinduism

Form of government: Multiparty republic

Monetary unit: 1 Tanzanian shilling = 100 cents

Main exports: Sisal, cloves, coffee, cotton, cashew nuts, minerals and tobacco

Internet domain: .tz

Time zone: GMT 3

International dialling code: 255



To the point Legislation, cases and news

South Africa

- A South African High Court (North Gauteng) judgment in the case of Oilwell (Pty) Limited v Protec International Limited and Others handed down on 17 February 2010 has ruled that a trade mark assignment entered into without prior exchange control approval from the South African Treasury does not constitute a contravention of South African Exchange Control Regulations. The South African Reserve Bank has in recent times required that South African exchange control residents who assign trade marks and other forms of intellectual property to a foreign entity require prior approval for such a transaction from the Treasury. On the issue of assignments of trade marks without prior approval rendering the assignments null and void, the Court found that an assignment should not be rendered invalid in instances where there had been non-compliance with the Regulations. Time will tell how widely this decision will be applied or if it will be interpreted in a narrow way. Other cases dealing with assignments of trade marks may distinguish themselves on their facts. Our cautious advice at this stage is to continue to secure exchange control approval for foreign assignments of trade marks until such time as there is greater clarity on these issues.

(For any enquiries about exchange control and tax issues arising from assignments of intellectual property please contact our Intellectual Property Commercial Department: Chris Bull +27 21 673 4407, c.bull@spoor.com.)

- The 2010 LES (Licensing Executives Society) International conference took place for the second time in 10 years in South Africa. The conference was hosted in Sandton, South Africa from 11-14 April 2010. It focused on intellectual property and the business of innovation in emerging economies. For more information go to <http://www.lesi2010.org>

United Kingdom

- The UK Intellectual Property Office (IPO) has recently changed the way it administers trade mark invalidation proceedings. If the Trade Marks Registry has ruled on whether a trade mark is invalid it is no longer open to the unsuccessful party to bring proceedings in the High Court looking for a different ruling on this issue. The inverse will also apply. The new procedure is that Hearing Officer's decision will no longer be made 'on paper'. The parties or their legal representatives will be required to attend a full hearing before any decision is made. This is the position only where the challenge to the trade mark is made on relative grounds.



European Union

- "Vorsprung durch Technik", a slogan coined by advertising mogul Sir Henry Hergarty almost 30 years ago at an Audi factory in Germany, has finally seen victory for Audi in Europe. After a seven year legal battle, the European Court of Justice (ECJ) recently ruled in favour of Audi by allowing its slogan "Vorsprung durch Technik" to be registered in respect of non vehicle related goods and services. Translated as "progress through technology", the phrase "Vorsprung durch Technik" was initially refused by the Office of Harmonization for the Internal Market (OHIM) Board of Appeal on the basis that it lacked distinctive character.

This decision was rejected by the ECJ who confirmed that when considering the registrability of words that form a slogan, less strict criteria may be applied than that of ordinary trade marks. Further, the fact that a slogan may at the same time be regarded as a promotional formula should have no bearing its registrability and a trade mark may be considered by the public as a promotional formula as well as an indication of commercial origin.

- The European Patent Office (EPO) withdrew a patent held by Schwabe Pharmaceuticals to produce an extract from the roots of two species, *Pelargonium sidoides* and *Pelargonium reniforme* for the treatment for bronchitis. The patent for the extraction process was successfully challenged by members of the rural Eastern Cape community of Alice, represented by NGO the African Centre for Biosafety (ACB) and a Swiss anti-biopiracy watchdog, the Berne Declaration.

United States of America

- The USPTO (United States Patent and Trademark Office) is extending its Patent Application Backlog Reduction Stimulus Plan until 30 June 2010. The Patent Application Backlog Reduction Stimulus Plan, which came into effect on 27 November 2009, allows small entity applicants having multiple applications currently pending before the USPTO to have more control over the priority which their applications are examined. The USPTO has also issued a notice providing an additional temporary basis which small entity applicants can have an application accorded special status for examination if said applicant expressly abandons another unexamined co-pending application.

- As from 8 December 2009, the USPTO has implemented a pilot program whereby an applicant can have an application accorded special status for an accelerated examination if the application pertains to green technologies and greenhouse gas reducing technologies. These include applications pertaining to environmental quality, energy conservation, development of renewable energy sources or greenhouse gas emission reduction.

- In *Starbucks Corp. v. Wolfe's Borough Coffee, Inc.*, 588 F.3d 97 (2nd Cir. 2009), the Second Circuit U.S. Court of Appeals held that the Trademark Dilution Revision Act of 2005 ("TDRA") does not require proof of "substantial similarity" between a famous mark and an infringing mark for a trade mark owner to establish dilution by blurring, nor does it require that an infringer act in "bad faith" in using his mark.

Taiwan



- Amendments to the Copyright Act and Copyright Intermediary Organization Act were promulgated on February 10, 2010. The amendments will no longer impose criminal sanctions for a number of activities including, inter alia the exploitation of digitized karaoke machines or jukeboxes which contain licensed duplication(s) of music works for public performance.

Japan

- The Design Examination Standards Office, Japan Patent Office has offered the public until 28 February 2010 to comment on the "Draft Revision of the Design Examination Standard for the examination procedures".

Korea

The Intellectual Property Tribunal, Korean Intellectual Property Office, has determined that use of oral hearing in patent trials will be expanded. Formerly, patent trials relied largely on documentary proceedings.

China

A Free Trade Agreement was concluded between Costa Rica and China on 10 February 2010. In the sixth and final round of talks, the two sides conferred on a variety of issues including the rule of origin of intellectual property rights.



Making our mark

Events, conferences and kudos

A third consecutive tier one rating: Managing Intellectual Property names Spoor & Fisher SA's top IP law firm

This prestigious acknowledgement was announced by Managing Intellectual Property, the global magazine for intellectual property owners, and included participants from 230 countries around the world. It is a huge honour that has been bestowed on Spoor & Fisher. This is one of the biggest acknowledgements of its kind in the world and this is the third time that Managing Intellectual Property has chosen Spoor & Fisher as a tier one South African IP law firm.

Over 5 000 of Managing Intellectual Property's global readership are senior, in-house counsel at multinational companies. The magazine is part of the Euromoney Legal Media Group. It has offices in Hong Kong, London and New York. Managing Intellectual Property reflects the pulse of the international IP arena with their insightful comment, news, market analyses, and the unique surveys they conduct, among other initiatives.

It also prints the World IP Contacts handbook, hosts regular Web seminars on key issues. They know the global IP law industry inside and out which is why we are so proud the judges selected Spoor & Fisher as the top IP law firm in South Africa for the third year running. The magazine has been offered testament by several global business figureheads such as Richard Heath, VP of Unilever PLC in the UK; and Lucy Nichols, global director of IPR and Brand Protection at Nokia in the US.

It is tremendously gratifying for Spoor & Fisher that our effort to provide a consistent, world-class service to our clients has been acknowledged in this way.

Professional Management Review (PMR) rates Spoor & Fisher No 1

The annual PMR survey conducted among South African companies has confirmed what many others have attested year after year: Spoor & Fisher is the number one legal practice in the sphere of intellectual property. This is the sixth time that the firm has been acknowledged in the annual PMR survey, underscoring our ongoing position of market leadership.

PMR research unit conducts annual surveys that measure service levels and customer satisfaction across various industries. Over 30 000 top decision-maker interviews are conducted annually to produce customer ratings, strengths and weaknesses. It awards top-rated companies PMR Diamond, Gold and Silver Arrow Awards.

PMR gave Spoor & Fisher the highest rating in this category. We earned a mean score of 4,25 out of a potential 5, assessed on a range of 21 measures.

Based on this survey, Spoor & Fisher received the Diamond Arrow Award in recognition of this achievement. The award ceremony took place at the Hyatt in Rosebank on 19 February 2010.



Our investment in Social Responsibility

Adult Education Centre – "Project festive season card"

In September 1994, Spoor & Fisher opened an adult education centre under the auspices of Project Literacy, after establishing the need for such a centre through a community survey. The initial attraction to Project Literacy was the promotion of both literacy and basic education as fundamental human rights. Since its inception the centre has provided literacy skills and educational upgrading with job-related training for as many educationally disadvantaged adults in the Centurion area as possible.

In November 2009, the students of the centre were delighted when they were asked to participate in our festive card competition. The winning card would then be sent to our clients wishing them a festive season and prosperous 2010. As groundwork, Mila Maximova, member of our trade mark team by day and artistic creator by night, taught art and craft to the students. With Mila's guidance each student was encouraged to explore and express their unique emotions, thoughts and experiences through art. At first, small steps were taken and with each lesson the students opened up their imaginations. Sketched lines and splashes of colours later, each student created a unique festive season card. At the adult education centre's year end function, our HR department selected Khanyisa Magwevana as the winner of the competition. Prizes for other extraordinary achievements were also awarded.

Our adult education centre through the commitment of our staff and the vision of the firm continues to find stimulating and creative ways to help our students develop new skills, gain confidence and enhance their lives.

Kiddies Christmas Party 2009 – "yo-ho-ho"

In December 2009, Spoor & Fisher hosted yet another spirited and adventurous Christmas party and this time for orphans from the Jakaranda Children's Home and the children of staff members. The theme this year was "Pirates" and all the young hearties in gearing up for the day made their very own pirates hat. The highlights on the day included paddling pools, jumping castles, the sand pit (aka, volleyball court), a marimba band and of course jolly Father Christmas with his loyal sidekicks, bearing gifts and glorious treats for all.

The celebrations may have come and gone, but the day will be cherished for many. Spoor & Fisher continues to raise awareness of the plight of orphans as well as spreading festive cheer, showing that it is an organisation with a sense of empathy, compassion and family values.



Khanyisa Magwevana



Promotions and new appointments



Partners: Juli Hopf



Associates: Heather Donald



Professional Assistants: Aletia van Rooyen, Chavern Ismail, Gontse Seakamela



Candidate Attorneys: Elna McLeary, Yavisché Naidoo, Brian Dube, Odette Jooste, Dominique Mulder, Bongani Mdakane, Dirk Hanekom