

NEWSLETTER

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Dr. MM Kleyn

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FROM THE EDITOR

Welcome to the first News Letter of SAIIP for 2014!

On the intellectual property front South Africa experienced quite an active year with the passing of the Traditional Knowledge bill, the publication of the Protection of Investment bill and the publication of the controversial National Intellectual Property Policy.

As members may be aware SAIIP submitted substantial comments on the draft IP Policy and concluded that SAIIP has several concerns with the draft document in its current form and in a response to The Department of Trade and Industry (the "DTI") offered an engagement with SAIIP which holds within its membership great deal of expertise which it would gladly make available to assist with the drafting of the policy.

Genesis Analytics (www.genesis-analytics.com) has been appointed by the DTI to conduct a Regulatory Impact Assessment (RIA) of the Draft National Policy on Intellectual Property. The study will look to analyse the likely effects of the proposed Policy on various stakeholders in the economy. Part of this process involves consultation with key stakeholders affected. The SAIIP was contacted for an interview. The purpose of the interview was to gain an understanding of the likely implications of the introduction of the proposed search and examination system for patents.

The RIA report has yet to be published. As this will impact on every intellectual property practitioner the SAIIP is keeping a close eye on any developments.

We hope our members will find value in our newsletter!

BURSARIES AWARDED

Based on the past year's results Council awarded bursaries for 2014 to the same two candidates.



Nihaal Maharaj

Kameel Pancham.

PRESIDENT'S MESSAGE

This is our first newsletter since 1998 and I thank Madelein Kleyn, our editor, for her initiative to revive the SAIPL newsletter.

As Madelein alludes to in her contribution, the IP landscape is changing. It is changing on all fronts and apart of the legislative changes, there are also operational changes. As our members have been advised, CIPC is in the process of relocating its facilities currently housed at 202 Esselen Street, Pretoria to another premise in Pretoria. At least not all patent and design records (including the registers of patents and designs) are at this stage available from CIPC in acceptable electronic form. However, currently, searching staff of our members have easy and convenient access to the paper registers of patent and designs from a SAIPL office adjacent the CIPC facilities at 202 Esselen Street.

SAIPL council is working hard in collaboration with CIPC to ensure that in spite of the digitisation of the records, the paper records would still be kept by the patent and designs offices on site and in accordance with the law. We are receiving positive cooperation from CIPC, more particularly, commissioner, Ms Astrid Ludin, and registrars Ms Fleurette Coetzee and Ms Elena Zdravkova, who have consistently kept us informed of developments and worked with us to seek solutions to some practical difficulties. We thank them for their kind assistance.

Fact is, the paper records will be relocated in the near future. Council will be referring to SAIPL's liaison committees the task of arranging an acceptable SAIPL office close to the new premise for our members' searching staff from where they would still be able to access the relocated records at the new premise.

One of our biggest responsibilities is training and by browsing through the newsletter, you will see under the item "Bursaries Awarded", we are supporting financially full time university students, Messrs Maharaj and Panchem, to further their studies. I am personally impressed by their academic performances and achievements and am proud of our efforts in this regard. However, although not specifically addressed in this newsletter, another important aspect of our work is the training of our own student members.



This task takes up a lot of time of our members who act as lecturers, examiners and moderators for these examinations. I want to thank these members and ask them please to remain committed to this task, because you are dealing with the life blood of our profession. In the same vein, I also thank our members who act in similar capacities to the Patent Examination Board.

Talking of examinations, we wish all our student members best of success in the forthcoming examinations.

Further in the newsletter, there is an inspiring contribution by Vanessa Ferguson on collaboration between SAIPL, INTA, City of Cape Town and Government in the fight against counterfeiting.

In another item, Bastiaan Koster, current president of FICPI International and one of our members and former president of SAIPL, invites all fellows of SAIPL to the FICPI World Congress, which will take place in Cape Town from 13 to 17 April 2015. Please support Bastiaan and this event in our country.

Lastly, but not least, I welcome our colleague Dr Burrell's summaries of recent judgments. These should stand all practitioners in good stead.

Adelhart Kruger

SAIIPL Council of 2014



Back from left to right J Goedhals, Mr C MacKenzie (Immediate Past President) Mrs. ML Grobler; Krüger (President), Mr D Cochrane and Mr. M van der Merwe (Treasurer)

Front Ms S Mahomed, Dr M Kleyn (Administrative Officer), Mrs. V Stilwell and Mrs. V Ferguson

Absent Mr J Fiandeiro and Mrs. D Marriott

CALENDAR OF FORMAL EVENTS FOR THE YEAR

19 June 2014: SAIIPL Council meeting 3 of 2014

4 September 2014: SAIIPL Council meeting 4 of 2014

5 November 2014 Annual General Meeting & Past Presidents' Lunch, Irene Country Lodge, Centurion, Pretoria.

Committee meetings are arranged on an ad hoc basis to address matters of importance/interest. Members who require any information on the specific committee meeting schedule can contact the various conveners of the committees which are available on our website at <http://saiipl.org.za/article/89-committee>

SOCIAL ACTIVITIES FOR THE YEAR

The SAIIPL calendar is filled with fun activities. Diarise these events

6 June 2014 - Bowls at Irene CC, Centurion

8 August 2014 - Ladies Luncheon, Sandton

5 September 2014 - Annual Golf Day, Els Club (Copper Leaf), Pretoria

1 November 2014 - Annual Dinner, Venue to be advised



FÉDÉRATION INTERNATIONALE DES CONSEILS
EN PROPRIÉTÉ INTELLECTUELLE

INTERNATIONAL FEDERATION OF
INTELLECTUAL PROPERTY ATTORNEYS

INTERNATIONALE FEDERATION
VON PATENTANWÄLTEN



FICPI WORLD CONGRESS – CAPE TOWN – COUNTERFEITING ROUND TABLE

The FICPI World Congress will be taking place in Cape Town from 13 to 17 April, 2015. FICPI has agreed that all Fellows of the SAIPL and who work in private practice may attend the Congress. The theme of the Congress is 'Adapt to Advance'. A question currently being asked is whether IP is driving economic growth or whether economic growth is driving changes in the IP system. The Congress will provide an opportunity to engage and network with colleagues from all over the world, make new friends and gain insights on how to position your practice going forward.



For more information visit our Congress website:

<http://www.ficpi2015capetown.com/>

THE INTERNATIONAL FEDERATION OF INDUSTRIAL PROPERTY ATTORNEYS OR INTERNATIONAL FEDERATION OF INTELLECTUAL PROPERTY ATTORNEYS, ABBREVIATED FICPI (AN ACRONYM FOR FÉDÉRATION INTERNATIONALE DES CONSEILS EN PROPRIÉTÉ INDUSTRIELLE IN FRENCH), IS A NON-POLITICAL, INTERNATIONAL, PROFESSIONAL BODY OF INTELLECTUAL PROPERTY PROFESSIONALS, I.E. PATENT ATTORNEYS AND TRADEMARK ATTORNEYS, IN PRIVATE PRACTICE, AS OPPOSED TO INTELLECTUAL PROPERTY PROFESSIONALS WORKING IN THE INDUSTRY. FICPI WAS ESTABLISHED ON SEPTEMBER 1, 1906 AND IS BASED IN BASEL, SWITZERLAND. - BASTIAAN KOSTER, A SOUTH AFRICAN PATENT ATTORNEY, IS THE CURRENT PRESIDENT OF FICPI.



Public and Private Sector united in the fight against Counterfeiting

The City of Cape Town together with the International Trademark Association (INTA), the South African Institute of Intellectual Property Law (SAIPL) and Government hosted a round table on February 13, 2014.

Hosted at the Cape Town Civic Centre, the purpose of the event was *inter alia* to discuss building an effective policy and framework in the fight against counterfeiting, as well as strengthening an already existing relationship that would allow information sharing and working together in order to improve anti-counterfeiting measures in the country.

As the largest economy in Africa, South Africa is the top destination for counterfeit goods, with tax revenue in excess of R2.5 billion estimated to be lost on just counterfeit cigarettes annually. In 2010, counterfeiting was responsible for 14 400 job losses in the textile and clothing industries alone.

Vanessa Ferguson, head of Anti-Counterfeiting at DM Kisch Inc and the convenor of the INTA MEASA (Middle East, Africa & South East Asia) Anti-Counterfeiting subcommittee and SAIPL Anti-Counterfeiting committee, opened the event together with Thembinkosi Siganda, the Director of Economic Development from the City of Cape Town.

Mr Siganda reinforced The City's commitment to clearing the streets of Cape Town of counterfeit goods and other illegal activities. Among the attendees were members from the Specialised Commercial Crime Unit, the National Prosecution Authority, the South African Police Services, Law Enforcement and The South African Revenue Service, Customs and Excise. There was also valuable input from the National Regulator for Compulsory Specification (NCRS), Film & Publications Board (FPB), Consumer Protection, brand holders and members of INTA and SAIPL.

Speakers provided valuable information around current practices in combating counterfeiting in South Africa as well as alternative measures in the counterfeit battle, where reliance is placed on additional legislation outside the ambit of the Counterfeit Goods Act, which will support action against counterfeiters.

Outcomes from the deliberations were that there is an urgent need for changes to the current Counterfeit Goods Act as counterfeiters are becoming increasingly more sophisticated. Until such time that the act is amended, both the public and private sector are committed to working together in taking effective action in respect of anti-counterfeiting practises.

It is envisaged that similar roundtable discussions will be arranged during the third and fourth quarter of 2014 in Johannesburg and Durban respectively.

The International Trademark Association (INTA) is a global association of trademark owners and professionals dedicated to supporting trademarks and related intellectual property in order to protect consumers and to promote fair and effective commerce. The INTA anti-counterfeiting committee is dedicated to evaluating treaties, laws, regulations, procedures and other enforcement mechanisms with respect to anti-counterfeiting and enforcement.

New Case Law



Intellectual Property Judgements for 2014 by Dr. T Burrell

PATENTS

Shezi Industrial Holdings (Pty) Ltd v Feltex Holdings (Pty) Ltd, per Fourie, J, in the CP, on 17 February 2014.

An application to amend a patent specification whilst an application for revocation was pending – Large overlap between the two applications – Applications ordered to be heard together – Costs reserved.

Patents Act 57 of 1978, s 61

In an application to amend the specification of patent 2003/9331 whilst an application for the revocation thereof was pending, and had, in turn, been stayed pending the finalisation of the application to amend, the Court

Held, that a comparison between the application for revocation and the application to amend revealed that there was a large overlap between the two applications.

Held, further, that the issues involved were not only overlapping but they were also intertwined to such an extent that they could not be dealt with separately.

The application for revocation and the application to amend were ordered to be heard together and the costs of the application to amend were reserved.

BASF Agro BV Arnheim (NL) Wädenswill Branch v Tsunami Crop Care (Pty) Ltd, per Pretorius, J, in the CP, on 7 March 2014.

An action to restrain the alleged infringement of a patent – Plaintiff failing to prove chain of evidence demonstrating allegedly infringing samples as emanating from the defendants – Counterclaim for revocation of the patent on the grounds of obviousness and uncertainty of claiming – Invention not obvious – Claims not lacking clarity – Plaintiff's claim dismissed with costs – Defendants' counterclaim dismissed with costs.

Patents Act 57 of 1978, ss 21(6), 21(10), 25(1), 45(1), 61(1)(c) and 61(1)(f)(i)

In an action to restrain the alleged infringement of a patent relating to the sulphonylation of heterocyclic compounds, the plaintiff complained that products emanating from the defendants were made using the processes claimed in claim 1 of the patent. This was denied by the defendants who counterclaimed for the revocation of the patent on the grounds of obviousness and uncertainty of claiming.

Held, that a comparison between the application for revocation and the application to amend revealed that there was a large overlap between the two applications.

Held, further, that the issues involved were not only overlapping but they were also intertwined to such an extent that they could not be dealt with separately.

The application for revocation and the application to amend were ordered to be heard together and the costs of the application to amend were reserved

Cipla Agrimed (Pty) Ltd v Merck Sharp Dohme Group and Another, per Teffo, J, in the CP, on 11 March 2014.

An application for the revocation of a patent on the grounds of lack of novelty and obviousness – Ground of lack of novelty upheld – Patent revoked.

Patents Act 57 of 1978, ss 25, 43(1), 43(3) and 61(1)(c)

In an application for the revocation of patent 1998/10975, the applicant's prime contention was that claims 1 to 29 of the 1998 patent had been disclosed in, and were therefore anticipated by, the specification of patent 92/7457 ("the 1992 patent") which had been made available to the public prior to the priority date of the 1998 patent and the Court, having set out the rules relating to the interpretation of patent claims,

Held, on a comparison of the 1992 and 1998 patent specifications, that the 1992 patent described the essential integers in such a way that the same or substantially the same process was identifiable and had been made known. The formulations set out in the 1998 patent specification were nothing more than a repetition of the disclosure in the 1992 patent specification.

Held, further, that it followed that claims 1 to 29 of the 1998 patent were invalid and fell to be revoked on the lack of novelty.

The application for revocation was, accordingly, upheld with costs, including the costs of two counsel.

TRADE MARKS

Cipla Medrpo (Pty) Ltd v Societe des Produits Nesle SA, per Fourie, J, in the GNP, on 26 February 2014

An appeal to the Full Court of the GNP against an order of the Court a quo setting aside an order of the Registrar of Trade Marks directing the respondent to produce certain documents, for the appellant's inspection, in terms of section 53(1) of the Trade Marks Act – Appeal upheld.

Trade Marks Act 194 of 1993, ss 53(1) and 53(2) Trade Mark Regulations 1995, reg 53(1)

In an appeal to the Full Court of the GNP against an order of the Court a quo, in which the court had set aside an order of the Registrar of Trade Marks directing the respondent to produce certain documents, for the appellant's inspection, in terms of section 53(1) of the Trade Marks Act read with regulation 53(1) of the Trade Mark Regulations 1995, the court a quo in coming to its conclusion had said that:

"There is in my view no ground for limiting the plain meaning of 'any person' to 'any person other than a party mentioned in subsection (2)'. The Act gives the Registrar many powers to make administrative and judicial decisions or orders. Some of these are appealable under section 53(2) and some are reviewable under section 57. There are, however, decisions and orders that cannot be dealt with under section 53(2) or section 57. It is those decisions that are subject to applications to the High Court under section 53(1)."

The Full Court of the GNP

Held, that the Court could not agree with the conclusion of the court a quo in the terms set out above.

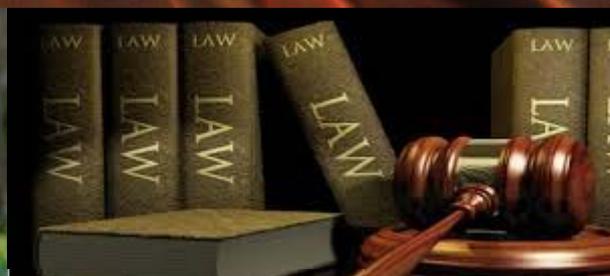
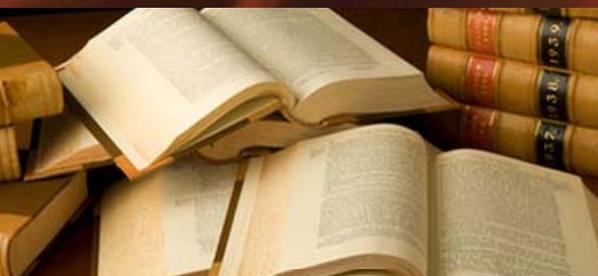
Held, further, that the powers and duties of the Registrar in terms of the Trade Marks Act can be divided into two categories, namely administrative and judicial functions and that the legislature had intended to distinguish between opposed applications in section 53(1) and unopposed proceedings in terms of section 53(2).

Held, further, that the words "without derogating from the provisions of subsection (2)" as they appear in section 53(1) was an indication of the intention of the legislature not to lessen the effect of another provision. In this instance subsection (1) is a general provision (governing administrative proceedings), whereas subsection (2) is a special provision (governing opposed proceedings).

Held, further, that the court a quo had come to an incorrect conclusion and the respondent was not entitled to rely upon the provisions of section 53(1) of the Trade Marks Act.

Held, further, that, in view of the court's conclusion, it was not necessary to consider the substantive merits of the application.

The appeal was, accordingly, upheld with costs.



Intellectual Property Judgements for 2014 by Dr. T Burrell

COMMON IP LAW

Pioneer Foods (Pty) Ltd v Bothaville Milling (Pty) Ltd, per Wallis, JA, in the SCA, on 12 March 2014.

An appeal against a judgment of the court a quo dismissing an application brought by the distributor of maize with a WHITE STAR get-up and THE CLEVER CHOICE strapline to restrain the respondent from using a STAR get-up and THE PEOPLE'S CHOICE strapline – Appeal dismissed with costs, including the costs of two counsel.

In an appeal to the SCA against a judgment of Lekale J in the FS and which is reported as *Pioneer Foods (Pty) Ltd v Bothaville Milling (Pty) Ltd* 2012 BIP 351 (FS), dismissing an application brought by the distributor of maize with a WHITE STAR get-up and THE CLEVER CHOICE strapline to restrain the respondent from using a STAR get-up and THE PEOPLE'S CHOICE strapline, the appellant had identified four major aspects of the respondent's get-up which, it contended, in conjunction with one another would lead to the deception of customers and confusion in the market place. First, was the use of the same three colours, white, green and red. Second, was the prominent use of the star symbol in red. Third, was the equally prominent use of the name STAR capitalized in red lettering. Fourth, was the use of the slogan 'THE PEOPLE'S CHOICE' as opposed to its own slogan 'THE CLEVER CHOICE'. The appellant contended that the accumulative effect of these was to make the two products confusingly similar and was likely to lead to confusion in the market place. The respondent's response was that the combination of the colours white, green and red in the packaging of super maize meal was commonplace and used by a number of prominent brands. So too was the name STAR, either with or without a star symbol. As to the two slogans, the respondent contended that they were linguistically, aurally and visually different. The respondent accordingly discounted any prospect of customers being deceived or confused. In support of this, the respondent further pointed out that it had been marketing its STAR product in the relevant get-up since 2003 and, during that period, the appellant had failed to identify a single incident of confusion or deception. The Court of Appeal

Held, that the court was prepared to accept for the purposes of its judgment that the appellant had established that it enjoyed the requisite reputation in its get-up at the relevant dates.

Held, further, and as to the second requirement for passing-off, namely misrepresentation, that, although there was undoubtedly some visual similarity between the two get-ups, they were sufficiently apparent and obvious for the court to hold that there was no reasonable likelihood of confusion between the two products.

Held, further, and to the extent that the Court might have had any residual doubt about the position, that it was dispelled by the fact that there was simply no evidence of any confusion in the market place between the two products in the period between 2001 and the commencement of the proceedings in August 2011.

Held, further, that the court *a quo* had been correct in holding that the appellant had failed to make out a case of passing-off and in dismissing the application for an interdict.

The appeal was, accordingly, dismissed with costs including the costs of two counsel.

IMPORTANT NOTICE TO LAW FIRMS

We would like to keep our members informed of most current case law and in particular unreported judgments. Without our members collaboration in this respect the exercise will be futile.

We urge our members to send copies of judgements without delay to Marie-Louise Grobler at saiipl@icon.co.za to enable Dr. Burrell to prepare the case law summaries.

We trust we can rely on each member's prompt participation in this effort.

- Editor

IMPORTANT NOTICE ON PATENT LAW CHANGES AROUND THE GLOBE

New Zealand Patent Law. From 13 September 2014 a higher threshold for patentability will take effect. Practitioners are to consider this for filing of convention applications and national phase applications in New Zealand, to bring application dates forward well in advance of the deadline of 12 September 2014 to take advantage of the current patentability threshold.

General: WIPO published a summary of IP Law changes on their website. An overview of global legislative changes concerning intellectual property can be viewed here:

<http://www.wipo.int/wipolex/en/news/>