

SOUTH AFRICAN PATENT LAW AND PRACTICE

EXAMINATION PAPER

28 JUNE 2022

EXAMINATION SET UNDER THE AUSPICES OF THE PATENT EXAMINATION BOARD AND
THE SOUTH AFRICAN INSTITUTE OF INTELLECTUAL PROPERTY LAW

EXAMINER

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NOTES TO CANDIDATES

1. All questions should be answered.
2. The paper consists of a total of 8 pages (including this one) and 11 questions.
3. The duration of the exam is 4 hours.
4. There is a total mark allocation of 175 marks.
5. All references to the Act are references to the South African Patents Act, No 57 of 1978, as amended.
6. All references to the Regulations are references to the South African Patent Regulations, 1978, as amended.
7. Wherever possible, your answers should refer to the relevant case law, sections of the Act and/or Regulations, the content of the section and/or regulation should be set out and only then should a conclusion be reached.
8. Write neatly and legibly.

QUESTION 1

As an expert in patent law, you are invited to sit as a panellist at the 2022 Investing in African Mining Indaba.

- 1.1 During the panel discussion, you are asked by the facilitator to explain to the audience what a patent is, what some of the benefits of a patent are and what the legal requirements are for an invention to be patentable. In your own words, what would you say to the audience?

(10 marks)

- 1.2 Artificial Intelligence (AI) is a hot topic at the Indaba. The South African Patent Office recently granted South African Patent No. 2021/03242 to Stephen L Thaler for a “food container and devices and methods for attracting enhanced attention” that lists an AI as the inventor. The inventor is named in the patent register sheet as “DABUS, the invention was autonomously generated by an artificial intelligence”. The grant of this patent is the world’s first patent for an invention that lists AI as an inventor.

There have been mixed reactions and reviews regarding the grant of the patent, not only in the global IP fraternity, but in international media too.

You are asked at the Indaba to provide your opinion on the matter as to whether the grant of the patent for an invention generated by AI was correct. What is your opinion and why? Marks will be awarded for your reasoning and for application of provisions of the Patents Act that may be relevant.

(10 marks)

- 1.3 You have made such an impression at the Indaba that you are again invited to speak at a medical conference. In light of this, you decide to focus your talk on the medical profession and section 25(11) of the Act.

Mention the exclusions provided by this section of the Act.

(5 marks)

[25 marks]

QUESTION 2

With reference to section 25 of the Act, explain what constitutes “the state of the art” for the purposes of evaluating whether an invention is new and involves an inventive step.

[12 marks]

QUESTION 3

- 3.1 You e-mail a grant report to your client, informing your client that the acceptance of the application had been published in the Patent Journal of 30 March 2022 and that the rights granted by virtue of the patent are now enforceable. Your client, having a limited understanding of patent law, asks you what the effect of the patent proceeding to grant is. Referring to the Act, explain to your client the type of rights granted by a patent and advise your client on the effect thereof. (9 marks)
- 3.2 After providing your client with advice relating to the above in 3.1, your client informs you on 17 June 2022 that there is a possible infringement of the granted patent and that they immediately wish to proceed with infringement proceedings. Advise your client with reference to section 44(4) of the Act. (4 marks)
- 3.3 The party whom your client wishes to sue for patent infringement has its principal place of business in Durban but the infringement is taking place in Cape Town. Your client's corporate office is in Johannesburg. What would be the appropriate court(s) in which proceedings should be instituted? Substantiate your answer. (3 marks)
- 3.4 In order to provide your client with an infringement opinion, you are required to make a determination of infringement. Referring to case law, advise your client on the steps taken in ascertaining whether there has been an infringement of your client's patent. (4 marks)
- 3.5 In terms of section 69A of the Act, what will not be considered an act of infringement? (4 marks)
- 3.6 In terms of section 66(1) of the Act, why is it to the benefit of the patentee to properly mark patented articles? (5 marks)
- 3.7 Prior to instituting proceedings for infringement, your client, unbeknownst to you and the registrar, informs you that he recently entered into a licence agreement with another party who is competing directly with the alleged infringer and is therefore also suffering damages because of the infringement. Why can't the licensee merely join the infringement proceedings and advise your client on the steps (and ideally by when) to be taken to ensure that the licensee can recover damages? (4 marks)

[33 marks]

QUESTION 4

Your client, Mr Bling, has been using a secret process in Namibia for extracting gold from ore. Due to the effectiveness of the secret process and the amount of undiscovered gold in South Africa, there is potential to exploit the process and gain immense financial benefit. However, Mr Bling knows that to ensure that all profit and advantage accrues to him, he should file a South African application for a patent and turns to you for advice.

4.1 Advise your client. (2 marks)

4.2 Would your answer to the above differ if the process was employed in South Africa and not in Namibia? (3 marks)

[5 marks]

QUESTION 5

Your client is the patentee of South African Patent No. 2018/04896, for which you are not recorded as the address for service. He wishes to consolidate his patent portfolio with you but before doing so, requests that you provide him with a status report of his patent. You noticed from the patent register that the patent application was accepted on 14 January 2021 and that the acceptance was published on 26 May 2021. Referring to the Act, Regulations and relevant case law, please write a letter to your client advising him of the status of his patent.

[10 marks]

QUESTION 6

Throughout your career as a patent attorney, you consulted with inventors who sought to protect their creative concepts by way of patents. Below are some recent examples of these concepts. Assuming the concepts described below are novel and inventive, what would your advice on the patentability of the concepts have been with reference to section 25(2) and/or section 25(3) of the Act?

- 6.1 Your client has the idea of entering into a novel business venture with farmers who have vacant land alongside the N3 Highway to Durban. One aspect of the method of doing business, is to use a small portion of the farmers' land to stack refurbished shipping containers so that the outer sections of the containers may be used as advertising space that is easily visible to passing motorists. In return for the use of the land, the farmer can use the shipping containers to grow plants, given that the containers have been customised with the inclusion of hydroponic plant growing units. Your client provides you with further details of the engaging mechanism he has designed to allow for the shipping containers to be securely fit together. (6 marks)
- 6.2 Your client, a medical aid service provider, has developed a new method implemented by a software mobile application that is able to integrate with the databases of government and pharmacies. This will allow its members to efficiently make appointments for receiving the SARS-CoV-2 vaccine. (4 marks)
- 6.3 Your client has created a new board game that requires the players in the game to roll dice and move newly designed tokens on the board to different sections. The rules of the game provide that the players, in teams, are able to move forward on the board if they correctly identify the opposing team's interpretation of a selected phrase by silently acting out that phrase. The game board provides for a number of unique and precise folds that enables the board to be folded to a compact size for easy storage and transportation when traveling. (6 marks)
- 6.4 Your client has developed a machine that he believes will solve Eskom's energy crisis. Your client's machine includes multiple gears that cooperate with each other, and without an external energy source, generates power into perpetuity. Advise in terms of section 36 of the Act. (2 marks)

[18 marks]

QUESTION 7

In the case of *Atomic Energy Corporation of SA Ltd v The Du Pont Merck Pharmaceutical Co*, in deciding the grant of a compulsory licence for a dependent patent, the court held that the applicant must show that the dependent patent is valid and that the suggested royalty is reasonable.

- 7.1 When can a licence in respect of a dependent patent be sought? (2 marks)
- 7.2 Who may apply for a licence in respect of a dependent patent? (2 marks)
- 7.3 Who decides on whether to award a compulsory licence? (1 mark)
- 7.4 Referring to the relevant section of the Act, what else should the person in 7.3 above consider when adjudicating whether to grant a licence for a dependent patent, and what restriction is imposed? (7 marks)

[12 marks]

QUESTION 8

Your client advised you at the time of filing their patent application that you are not responsible for the payment of renewal fees and that the responsibility for the payment of the renewal fees will be handled by a global renewal agency. However, your client contacts you in a state of panic five years later, after the application proceeded to grant, and informs you that South African Patent No. 2012/01598 had lapsed due to the non-payment of renewal fees. The patent is extremely valuable to your client who still wishes to make use of their monopoly over the invention.

Advise your client on what can be done, how you would do this, what requirements must be satisfied, the procedural steps that follow once application is made and the possible outcomes. Please refer to specific timelines.

[13 marks]

QUESTION 9

You receive the following e-mail from your foreign associate regarding South African Patent Application No. 2021/03257:

“It has come to our attention that there are two additional inventors that contributed to the subject matter of the invention of this patent application that were omitted at the time of filing the application. The contribution of these inventors was not known to the applicant at the time of filing the application for the patent”.

- 9.1 Referring to the specific provision of the Act, how would you go about ensuring that the two omitted inventors are listed in the application? (3 marks)
- 9.2 Provide two examples of documents that may be lodged to satisfy the registrar of the applicant’s entitlement to the invention. (4 marks)
- 9.3 Advise your client in full by referring to the specific provisions of the Act, on the possible consequence of not adding the two inventors to the application. (6 marks)
- 9.4 Who can rely on the provisions referred to in 9.3 above? (2 marks)

[15 marks]

QUESTION 10

Your client is considering whether to file a patent of addition or a new provisional patent application. Advise your client fully on when it is appropriate to file a patent of addition, as well as the benefits and drawbacks of such an application.

[10 marks]

QUESTION 11

South African Patent No. 2005/09876 (ZA 2005/09876) was filed on 17 October 2005, accepted on 12 December 2006, and proceeded to grant on 28 February 2007. The patent claims priority from South African Provisional Patent Application No. 2004/06123 (ZA 2004/06123) filed on 11 August 2004.

South African Patent No. 2020/01439 (ZA 2020/01439) was filed as a national phase patent application on 6 March 2020 from a PCT patent application with a filing date of 10 August 2018. The PCT patent application, and consequently the national phase patent application, claims priority from Chinese Provisional Patent Application No. 201710985755.5, which was filed on 20 October 2017. ZA 2020/01439 was accepted on 20 July 2020 and proceeded to grant on 26 August 2020.

Answer the questions that follow by providing the dates in full, where relevant.

In respect of (1) ZA 2005/09876 and (2) ZA 2020/01439:

- 11.1 When was the first renewal fee due on each patent? (4 marks)
- 11.2 When were/are the third renewal fees due on each patent? (4 marks)
- 11.3 Are extensions of time available for paying renewal fees? If so, mention the extension period available? (2 marks)
- 11.4 If all renewal fees are paid, when will the patents expire? (4 marks)
- 11.5 What was the final deadline, including possible extensions of time, for filing a complete patent application from ZA 2004/06123? (2 marks)
- 11.6 Would your answer have differed if the priority application was filed in Australia? If so, provide the final deadline. (2 marks)
- 11.7 What was the deadline for filing the national phase patent application of the PCT application? Provide the deadline with and without extensions of time. (4 marks)

[22 marks]

[Total: 175 marks]