

**DEPARTMENT OF TRADE AND INDUSTRY
PATENT EXAMINATION BOARD**

PATENT EXAMINATION 2010

**GROUP 1 SUBJECT (a)
LEGAL FRAMEWORK FOR THE PROTECTION OF INTELLECTUAL
PROPERTY IN SOUTH AFRICA**

Examiners: Prof E.D. du Plessis
Mr L.S. van der Walt

Moderator: Mr L.S. van der Walt

Time: 4 hours

Marks: 100

INSTRUCTIONS

1. Answer all five questions
2. Please note that the five questions carry equal mark values; accordingly, equal time should be devoted to the questions.
3. The term "TRIPS Agreement" or "TRIPS" refers to the Agreement on Trade-Related Aspects of Intellectual Property Rights of the World Trade Organisation (WTO).

1. **Question 1: General aspects of TRIPS**

(a) Write explanatory notes in respect of each of the following statements which pertain to provisions in TRIPS, explain what the relevant concepts mean and why they are important, and indicate whether, in your view, South Africa's intellectual property laws comply with these TRIPS provisions. Where possible, elucidate your view with one or more examples, or by setting out the position in South African law.

- (i) Nothing in this agreement shall be used to address the issue of the exhaustion of intellectual property rights (Article 6). In your answer, explain what is meant by "exhaustion of intellectual property rights" and "parallel importation" and what the relationship is between these two concepts. Refer in your answer to the position in South Africa in respect of different kinds of intellectual property rights, ie patents, designs, trade marks, copyright. (5)

- (ii) What is meant by the principle of “national treatment” as set out in Article 3? Illustrate the application of this principle by way of an example taken from South African IP laws. (2)
- (iii) What is meant by the principle of “most-favoured-nation treatment” as set out in Article 4. Illustrate the application of this principle by way of an example taken from South African IP laws. (3)
- (b) “Member countries shall provide for the protection of plant varieties either by patents or by an effective *sui generis* system or by a combination thereof” (Article 27.3(b) of TRIPS). South Africa has the Plant Breeders’ Rights Act 15 of 1976, section 2 of which prescribes that the Act applies to all varieties of prescribed kinds.
- (i) According to section 2, in addition to having to be a prescribed kind of plant in order to fall within the ambit of the Plant Breeders’ Rights Act 15 of 1976, a plant must also be new and uniform. What are the further two requirements of section 2 for a plant to fall within the ambit of the Plant Breeders’ Rights Act 15 of 1976? (2)
- (ii) Mr. A breeds a new apple variety in South Africa and sells fruit of the new variety, at the Fresh Produce Market in Johannesburg, for the first time, to the public on 1 August 2010. What is the deadline for filing a plant breeder’s rights application for the apple variety in South Africa? (1)
- (iii) Mr. B breeds a new rose variety, denominated Morning Star, in France and provides trees of the new Morning Star rose variety to nurseries in France on 1 July 2009, with the intention that the nurseries can multiply the plants and sell them to the public. No plant material has yet been exported to South Africa. What is the deadline for filing a plant breeder’s rights application for the Morning Star rose variety in South Africa? (1)
- (iv) The same Mr. B of question 1(b)(iii) timely files a plant breeder’s rights application in South Africa for the Morning Star variety and obtains grant of a plant breeder’s right. Mr. B realises that a rose variety going by the denomination of Evening Star is available in South Africa and he does not want to be associated with the Evening Star variety, which he believes to be inferior. (1)

By when can Mr. B start using a plant breeders' rights denomination other than Morning Star in connection with his protected variety? (1)

(v) What is the effect, in terms of section 15 of the Plant Breeders' Rights Act 15 of 1976, of a protective direction issued by the Registrar of Plant Breeders' Rights?

(1)

(vi) Which three of the following are acts of infringement of a South African plant breeder's right, in the absence (apart from (f) below) of a licence or authority from the holder of the plant breeder's right?

- a person procures propagating material of a variety protected by a South African plant breeder's right legitimately but then resells that propagating material.
- a person procures propagating material of a variety protected by a South African plant breeder's right legitimately but then multiplies that propagating material in the development of a different variety.
- a person exports harvested material, which was obtained through the use of propagating material of a variety protected by a South African plant breeder's right, to a country which is not a convention country or an agreement country.
- a farmer procures propagating material of a variety protected by a South African plant breeder's right legitimately and cultivates land occupied by him with the propagating material. He however then harvests material from the land occupied by him for purposes of propagating the material again himself.
- a person uses the approved denomination of a protected variety in relation to plants or propagating material of another variety, with the authority of the holder of the plant breeder's right for the protected variety.
- a person stocks propagating material of a variety protected by a South African plant breeder's right, for purposes of sale, but does not intend

actually selling the plant material until after expiry of the plant breeder's right.

- a person procures propagating material of a variety protected by a South African plant breeder's right legitimately and uses it for research into plant-derived pharmaceuticals. (3)

(vii) Discuss the provisions of section 21 of the Plant Breeders' Rights Act 15 of 1976 in respect of the period or term of plant breeders' rights in South Africa,

(1)

[20]

2. Question 2: Patents Act, 1978

Write brief notes to demonstrate your understanding of the following provisions of the TRIPS Agreement; indicate in what manner the relevant TRIPS provision has been implemented in South African law; and indicate in each case to what extent the position in terms of South African law complies with the TRIPS provision.

- (a) Member countries shall require that an applicant for a patent shall disclose the invention in a sufficiently clear and complete manner (Article 29.1), and may also require certain further information. Explain fully the disclosure requirement for patent applications in terms of TRIPS, and indicate how this requirement has been implemented in the South African Patents Act. (5)
- (b) Member countries may provide limited exceptions to the exclusive rights conferred by a patent, provided that such exceptions do not unreasonably conflict with the normal exploitation of the patent, taking into account the legitimate interests of third parties (Article 30). Explain, with reference to a specific set of circumstances, how South Africa has implemented this provision, and indicate how South Africa had to amend its Patents Act to implement this provision. (5)
- (c) Article 31 of TRIPS permits member countries to allow the use of patented subject matter by third parties without the authorisation of the right holder, eg to address anti-competitive practices, and stipulates several conditions which have to be adhered to in allowing such use.

Discuss briefly

- (i) whether the South African Patents Act, 1978 makes provision for a mechanism to allow such use by third parties; if so, in which circumstances can such use be allowed, indicate the aspects that will be taken into account, and generally what procedure is to be followed to obtain allowance; (6)
- (ii) whether, in your view, the legal position in the South African Patents Act, 1978 also gives effect to TRIPS Art. 31(l), ie to permit the exploitation of a so-called “second patent”; if so, what provisions or considerations will apply. (4)

[20]

3. **Question 3: Trade Marks Act, 1993**

In paragraphs (a) – (c) below reference is made to provisions in the TRIPS Agreement prescribing to member countries certain aspects of the manner in which trade marks are to be protected. With reference to the South African Trade Marks Act, 1993, discuss briefly what the South African legislation provides in respect of each aspect, and whether, in your view, the South African legal position complies with the TRIPS requirements:

- (a) Article 15.1 of TRIPS provides that any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings shall be capable of constituting a trade mark. Does the South African Trade Marks Act define a “mark” or a “trade mark” or both? Explain how these concepts are defined. (5)
- (b) Article 15.3 of TRIPS gives member countries the right to make registrability of a trade mark dependent on use, but provides that actual use shall not be a pre-condition for filing an application. Explain the position under the South African Trade Marks Act in regard to the use of a mark, both before and after the registration of the trade mark. (5)
- (c) Article 16.2 and 16.3 deal with well-known trade marks and provide that Article 6*bis* of the Paris Convention (see below) shall apply, *mutatis mutandis*, to identical or similar **services**, and shall also apply (in certain circumstances) to **goods and services which are not similar** to those in respect of which the well-known trade mark is registered.

Explain the provisions on well-known marks in the Trade Marks Act, and indicate whether these South African provisions implement the provisions of Article 6*bis* of Paris and the TRIPS provisions in South Africa. Indicate how it is to be determined in terms of South African law whether a trade mark is well known.

[Article 6 *bis* of the Paris Convention provides that member countries must provide for the refusal or cancellation of the registration of, and must prohibit the use of, a trade mark which constitutes a reproduction, an imitation or a translation of a well-known trade mark, if such registration or use is on identical or similar goods and is liable to create confusion.]

(10)

[20]

4. **Question 4: Copyright Act, 1978**

Write explanatory notes on the following provisions in TRIPS regarding the manner in which copyright protection is to be provided. Indicate how these provisions are reflected in South Africa's copyright law, and whether or not South Africa's copyright law complies with these provisions.

(a) Computer programs, whether in source or object code, shall be protected as literary works under the Berne convention (Article 10.1).

(6)

(b) Compilations of data or other material, whether in machine readable or other form, shall be protected (Article 10.2).

(4)

(c) Member countries shall provide copyright owners the right to prohibit the commercial rental to the public of originals and copies of certain categories of copyright works (Article 11, Article 14.4). Explain which categories of works enjoy such rental rights in South African copyright law, and what the nature is of the rental rights

(5)

(d) When the term of protection of a work is calculated on a basis other than the life of a natural person, such term shall be no less than 50 years (Article 12). Indicate, by setting out the term of protection for the different categories of works in terms of South African law, whether this requirement is complied with.

(5)

[20]

5. **Question 5: Designs Act, 1993**

Write brief notes to demonstrate your understanding of the following provisions of TRIPS, and indicate in each case how the provision has been implemented in the South African design law, and/or how the position in South Africa deviates from any of the provisions.

(a) Member countries shall provide for the protection of independently created industrial designs that are new or original, and may provide that such protection shall not extend to designs dictated essentially by technical or functional considerations (Article 25).

Indicate in your answer the types of designs which are registrable in South Africa; the requirements for registrability; and any provisions contained in the Designs Act relating to the articles to be protected under the Act. (8)

- (b) The duration of protection shall amount to at least 10 years (Article 26.3, Article 38). (2)
- (c) The owner of a protected design shall have the right to prevent third parties not having his consent from making, selling or importing articles bearing or embodying the design for commercial purposes (Article 26.1).

Indicate whether the Designs Act provides for the exhaustion of these rights, or provides for any specific exclusions in respect of the exclusive rights granted under the Act. (5)

- (d) Member countries agree to provide protection for the layout designs (topographies) of integrated circuits in accordance with IPIC (International Treaty on IP for Integrated Circuits) (Article 35).

Indicate how such protection is provided (5)

[20]

Submitted: _____

Examiners: E.D. du Plessis

L.S. van der Walt

Date

Approved: _____

L.S. van der Walt

Date