



The Legal 500 Country Comparative Guides

South Africa: Intellectual Property

This country-specific Q&A provides an overview to intellectual property laws and regulations that may occur in South Africa.

For a full list of jurisdictional Q&As visit [here](#)

Contributing Firm



Hahn & Hahn

Authors



Janusz F Luterek
Pr,Eng, Partner (Head
of Patents Department)

janusz@hahn.co.za

1. What different types of intellectual property rights exist to protect: (a) Inventions (e.g. patents, supplementary protection certificates, rights in trade secrets, confidential information and/or know-how); (b) Brands (e.g. trade marks, cause of action in passing off, rights to prevent unfair competition, association marks, certification marks, hallmarks, designations of origin, geographical indications, traditional speciality guarantees); (c) Other creations, technology and proprietary interests (e.g. copyright, design rights, semiconductor topography rights, plant varieties, database rights, rights in trade secrets, confidential information and/or know-how).

(a) Inventions;

There is statutory protection for Patents and Registered Designs.

Registered Designs can be applied for in respect of Aesthetic Designs or Functional Designs. An Aesthetic Design means any design applied to any article, whether for the pattern or the shape or the configuration or the ornamentation thereof, or for any two or more of those purposes, and by whatever means it is applied, having features which appeal to and are judged solely by the eye, irrespective of the aesthetic quality thereof, whereas a Functional Design means any design applied to any article, whether for the pattern or the shape or the configuration thereof, or for any two or more of those purposes, and by whatever means it is applied, having features which are necessitated by the function which the article to which the design is applied, is to perform, and includes an integrated circuit topography, a mask work and a series of mask works. There is common law protection only for trade secrets, confidential information, and know how.

(b) Brands;

Statutory protection for trade marks and copyright in art works related to trade marks.

Common law provides also for trade marks, and for a cause of action in passing off, rights to prevent unfair competition.

Trade marks include association marks, certification marks, hallmarks.

There are legal provisions for designations of origin and geographical indications under the Agricultural Products Standards Act.

(c) Other creations, technology and proprietary interests

Copyright - The Copyright Act defines nine classes of work that are eligible for copyright:

literary works - including novels, poems, plays, film scripts, textbooks, articles, encyclopaedias, reports, speeches, etc.

musical works - excluding words sung with the music

artistic works - including paintings, sculptures, drawings, photographs, architectural works, works of craftsmanship, etc.

cinematograph films - in any medium, including film, tape or digital data

sound recordings - in any medium, but excluding film soundtracks

broadcasts - signals transmitted by radio waves and intended for public reception

programme-carrying signals - signals representing audio and/or video and transmitted via satellite

published editions - particular typographical arrangements of literary or musical works

computer programs - instructions, in any medium, that direct the operation of a computer.

Registered Designs already mentioned above include IC and semiconductor topography.

Plant breeders rights are also possible and may require a simultaneous variety listing application.

2. What is the duration of each of these intellectual property rights? What procedures exist to extend the life of registered rights in appropriate circumstances?

Patents - 20 years from date of application, no extensions possible

Registered Designs:

Aesthetic designs - 15 years from date of application or the release date, whichever is earlier

Functional Designs 10 years from date of application or the release date, whichever is earlier

Trade Marks - indefinite - renewal every 10 years from date of application.

Copyright

For literary, musical and artistic works, except for photographs, the copyright term in South Africa is fifty years from the end of the year of the author's death, or fifty years from publication if it is first published after the author's death. For photographs, films and computer programs, the term is fifty years from first publication, or fifty years from creation if not published within fifty years. For sound recordings, broadcasts, programme-carrying signals and published editions, it is fifty years from first publication or transmission.

Anonymous works are protected for the shorter of fifty years from first publication or fifty years from the year when it is reasonable to presume the author is dead. For works with multiple authors, the fifty years from death are calculated from the death of the last author to die. Government works are protected for fifty years from first publication.

Plant Breeders rights - A plant breeder's right shall be granted for a period of-

(a) 25 years, in the case of vines and trees; and

(b) 20 years, in all other cases,

calculated from the date on which a certificate of registration is issued.

3. Who is the first owner of each of these intellectual property rights and is this different for rights created in the course of employment or under a commission?

Patent - inventor is first owner unless assigned in writing or created in the course and scope of employment or an employee of a parastatal organisation designated by law.

Design - the applicant is the first owner but should have assignment of rights from the designer/author.

Copyright - the author/creator is the first owner, but in the case of software it is the person responsible for organising and managing the writing of the software. In the case of publications it is the owner of the publication. In all cases the owner retains the moral right in their works unless explicitly assigned in writing. Copyright as such must be assigned in writing if ownership is to be transferred.

Trade mark - the applicant

Plant Breeders right - the breeder or an applicant who has acquired right from the breeder, or jointly.

4. Which of the intellectual property rights described above are registered rights?

Patents, trade marks, registered designs, plant breeders rights.

5. Who can apply for registration of these intellectual property rights and, briefly, what is the procedure for registration?

Patents:

Registered Designs:

Trade Marks

Plant Breeders Rights

6. How long does the registration procedure usually take?

Patents 9 to 15 months

Registered Designs - within 12 months

Trade mark - 1 to 2 years

Plant Breeders Rights - depends on plant variety as test plantings may be required depending on when the plants are ready for examination and takes at least 4 years. Two generations or more of plantings are required depending on plant variety.

7. Do third parties have the right to take part in or comment on the registration process?

In respect of Trade Marks there is provision for opposition once notice of acceptance is published for a period of 3 months.

Plant breeders - yes, a third party can oppose registration.

8. What (if any) steps can the applicant take if registration is refused?

Patents and Registered Designs cannot be refused as South Africa is a non-examining country.

Trade Mark - refusal can be taken on review or appeal.

Plant Breeders – Appeal is possible to the Minister of the Department of Agriculture, who shall appoint an Appeal Board which shall consist of-

(i) one person designated as chairman on account of his knowledge of law;

(ii) two persons who in the opinion of the Minister have expert knowledge of the subject of the appeal.

9. What are the current application and renewal fees for each of these intellectual property rights?

Patents – ZAR 590 – Renewals are according to a sliding scale from year 3 to 20.

Registered Designs – ZAR 110 – Renewals are according to a sliding scale from years 3 to 10 or 15 depending on the type of right.

Trade Mark – ZAR 590 – Renewals are every 10th year and the official fees are R 590 at present.

Plant Breeders Rights – Depends on variety – basic fee plus an examination fee. Renewals are ZAR 270 per year.

10. What are the consequences of a failure to pay any renewal fees and what (if any) steps can be taken to remedy a failure to pay renewal fees?

Patents – patent will lapse if not renewed and the renewal fee is not paid within 6 months of the due with a fine. A lapsed patent can be restored if the lapsing was unintentional and there was no delay in applying for restoration. Third parties can oppose an application for restoration in which case the matter will be referred to the Court of the Commissioner of Patents for a decision.

Registered Design – as for a Patent.

Trade Mark – Trade mark will expire if not renewed on every 10th anniversary or within 6 months thereof with payment of a fine. Under exception circumstances a trade mark can be restored.

Plant Breeders Right can lapse if renewal not paid.

11. What are the requirements to assign ownership of each of the intellectual property rights described above?

In each case a simply signed assignment document is required.

12. Is there a requirement to register an assignment of any of these intellectual property rights and, if so, what is the consequence of failing to register?

The fact of the assignment should be recorded at the Patent Office for it to be effective as against 3rd parties. Even if not registered the assignment will still be effective as between the parties thereto.

13. What are the requirements to licence a third party to use each of the intellectual property rights described above?

There are no specific requirements.

14. Is there a requirement to register a licence of any of these intellectual property rights and, if so, what is the consequence of failing to register?

The fact of the license should be recorded at the Patent Office for it to be effective as against 3rd parties.

15. Are exclusive and non-exclusive licensees given different rights in respect of the enforcement of the licensed IP, and if so, how do those rights differ?

Neither an exclusive nor a non-exclusive licensee can litigate on a patent in their own name alone. A patentee must give notice to a licensee who is recorded and allow them to join in the litigation.

In the case of a compulsory license the licensee can call on the patentee to defend a patent or take action against an infringer and if the patentee fails to do so within 2 months then the licensee may litigate in its own name.

16. Are there criminal sanctions for infringement of any intellectual property rights, and if so, what are they and how are they invoked?

The only criminal sanctions are for copyright infringement which is intentional and is tantamount to trade in counterfeit goods. A charge would have to be laid with the South African Police Services who would then investigate the matter and the Public Prosecutor would decide on prosecution.

17. What other enforcement options are available for each of the intellectual property rights described above? For example, civil court proceedings, intellectual property office proceedings, administrative proceedings, alternative dispute resolution.

For Patents civil claims are available and all litigation must take place in the Court of the Commissioner of Patents (which is situated in Pretoria). For all other intellectual property rights civil actions are available and can be instituted in any High Court with jurisdiction based on persons or the matter.

18. What is the length and cost of such procedures?

It is not possible to estimate the costs of litigation with any accuracy as these are adversarial civil court matters and parties are entitled to present their best case, to appeal decisions from the court of first instance to a court with a full bench, and then to the Supreme Court of Appeal and finally event to the Constitutional Court. As such cases can take from perhaps 24 months to as long as 6 or 8 years, some have taken even longer. The costs in the Court of first instance may be ZAR 1 000 000 to ZAR 2 000 000 (or more in complex cases employing larger legal teams!). Thereafter the costs will depend on whether there are appeals and how many appeals.

19. Where court action is available, please provide details of which court(s) have jurisdiction, how to start proceedings, the basics of the procedure, the time to trial, the format of the trial, the time to judgment and award of relief and whether any appeal is available.

Patents:

All patent litigation must take place in the Court of the Commissioner of Patents (a single Judge of the High Court). Proceedings are bifurcated and can either start by way of Application on Notice of Motion accompanied by a Founding Affidavit setting out the relevant evidence to which the Respondent replies with an Answering Affidavit, however, the only relief available by this procedure is an interdict preventing further infringement and no damages can be claimed or awarded. The reasonable costs of the litigation, usually about 50% of the actual costs, can be awarded by the Court to the successful party. The time to the first hearing can be a year.

If damages are to be claimed, Action proceedings commence with a Summons accompanied by a Particulars of Claim to which the Defendant will Plea. The case will proceed through various procedural steps until the trial is held with witnesses leading viva voce evidence (only under exceptional circumstances will evidence be allowed to be adduced by way of Affidavit). The relief available is an interdict, damages, and an award of costs as explained above. The time to the first hearing can be 18 months to 2 years.

In both cases several levels of Appeal are possible to a Court with a full bench of 3 Judges, and then to the Supreme Court of Appeal and finally event to the Constitutional Court.

All litigation relating to Trade Marks, Copyright, Plant Breeders Rights, and Registered

Designs must eventually take place in the High Court (a single Judge of the High Court), although for Trade Marks the Commissioner of Trade Marks has some powers to hear oppositions and in the case of Plant Breeders Rights a Tribunal is the Court of first instance whereafter the matter can proceed to the High Court. Again proceedings are bifurcated and can either start by way of Application on Notice of Motion accompanied by a Founding Affidavit setting out the relevant evidence to which the Respondent replies with an Answering Affidavit, however, the only relief available by this procedure is an interdict preventing further infringement and no damages can be claimed or awarded. The reasonable costs of the litigation, usually about 50% of the actual costs, can be awarded by the Court to the successful party. The time to the first hearing can be a year.

If damages are to be claimed, Action proceedings commence with a Summons accompanied by a Particulars of Claim to which the Defendant will Plea. The case will proceed through various procedural steps until the trial is held with witnesses leading viva voce evidence (only under exceptional circumstances will evidence be allowed to be adduced by way of Affidavit). The relief available is an interdict, damages, and an award of costs as explained above. The time to the first hearing can be 18 months to 2 years.

Again several levels of Appeal are possible to a Court with a full bench of 3 Judges, and then to the Supreme Court of Appeal and finally event to the Constitutional Court.

20. What customs procedures are available to stop the import and/or export of infringing goods?

Only in the case of Trade Mark infringement the trade mark can be registered with Customs and if alerted, or if the authorities notice importation of infringing/counterfeit product, the product will be seized until either the importer can prove the legitimacy thereof or the trade mark owner obtains an order for the destruction thereof.

21. Are any non-court enforcement options or dispute resolution mechanisms mandatory in respect of intellectual property disputes in any circumstances? If so, please provide details.

No.

22. What options are available to settle intellectual property disputes?

Any party can choose to mediate or in any other way negotiate a settlement.

23. What is required to establish infringement of each of the intellectual property rights described above? What evidence is necessary in this context?

Patents

Patent infringement is established by factual and expert evidence showing that an article, method or system alleged to infringe a patent includes all the essential elements of at least one valid independent claim of the patent. In addition, factual evidence must be lead that shows that the Defendant or Respondent has performed one of the acts reserved for the patentee viz. a patentee has a right to exclude other persons from making, using, exercising, disposing or offering to dispose of, or importing the invention, so that he or she shall have and enjoy the whole profit and ad-vantage accruing by reason of the invention.

Registered Designs

Design infringement is established by factual and expert evidence showing that an article, alleged to infringe a Registered Design has been made, imported, used, or disposed of in the class in which the design is registered and embodying the registered design or a design not substantially different from the registered design.

Trade Mark

Trade Mark infringement is established by factual and expert evidence showing that:

(a) there is unauthorized use in the course of trade in relation to goods or services in respect of which the trade mark is registered, of an identical mark or of a mark so nearly resembling it as to be likely to deceive or cause confusion;

(b) the unauthorized use of a mark which is identical or similar to the trade mark registered, in the course of trade in relation to goods or services which are so similar to the goods or services in respect of which the trade mark is registered, that in such use there exists the likelihood of deception or confusion;

(c) the unauthorized use in the course of trade in relation to any goods or services of a mark which is identical or similar to a trade mark registered, if such trade mark is well known in the Republic and the use of the said mark would be likely to take unfair advantage of, or be detrimental to, the distinctive character or the repute of the registered trade mark, notwithstanding the absence of confusion or deception: Provided that the provisions of this paragraph shall not apply to a trade mark registered under the previous Act.

24. **How does the court acquire any necessary information (fact or technical) and in what circumstances does it do so? In particular a) Is there a technical judge, a judge with technical experience, a court appointed expert, an expert agreed by the parties, and/or parties' expert witness evidence? b) What mechanisms are available for compelling the obtaining and protecting of evidence? Is disclosure or discovery available?**

a) Is there a technical judge, a judge with technical experience, a court appointed expert, an expert agreed by the parties, and/or parties' expert witness evidence?

There are no technical judges. Each party appoints and pays for its own expert witnesses. In the case of an Application on Notice of Motion the expert witness deposes to an Affidavit whereas in an Action the expert witness has to appear in Court to lead evidence and be subject to cross-examination,

b) What mechanisms are available for compelling the obtaining and protecting of evidence? Is disclosure or discovery available?

Discovery is available in Action proceedings and all Discovery is on paper. A party can be compelled to discover by way of an Application to Compel and failure to comply with an order to Discover can lead to dismissal of the party's case. In the case of an Application there is no discovery and the parties stand and fall by the evidence at their disposal and which has been disclosed in the Affidavits.

25. How is information and evidence submitted to the court scrutinised? For example, is cross-examination available and if so, how frequently is it employed in practice?

In Action proceedings cross-examination of witnesses is routine and happens in virtually every case, In Application proceedings witnesses do not lead evidence in person, only on Affidavit, and as such there is no cross-examination.

26. What defences to infringement are available?

In the case of Patents or Registered Designs , that the patent is lapsed, expired or invalid or that there is no act of infringement.

In the case of trade marks there are the defences that is lapsed, expired or invalid or that there is no act of infringement. In addition, a registered trade mark is not infringed by -

(a) any bona fide use by a person of his own name, the name of his place of business, the name of any of his predecessors in business, or the name of any such predecessor's place of business;

(b) the use by any person of any bona fide description or indication of the kind, quality, quantity, intended purpose, value, geographical origin or other characteristics of his goods or services, or the mode or time of production of the goods or the rendering of the services;

(c) the bona fide use of the trade mark in relation to goods or services where it is reasonable

to indicate the intended purpose of such goods, including spare parts and accessories, and such services;

(d) the importation into or the distribution, sale or offering for sale in the Republic of goods to which the trade mark has been applied by or with the consent of the proprietor thereof;

(e) the bona fide use by any person of any utilitarian features embodied in a container, shape, configuration, colour or pattern which is registered as a trade mark;

(f) the use of a trade mark in any manner in respect of or in relation to goods to be sold or otherwise traded in, or services to be performed, in any place, or in relation to goods to be exported to any market, or in any other manner in relation to which, having regard to any conditions or limitations entered in the register, the registration does not extend;

(g) the use of any identical or confusingly or deceptively similar trade mark which is registered:

Provided that paragraph (a) shall not apply to the name of any juristic person whose name was registered after the date of registration of the trade mark: Provided further that the use contemplated in paragraph (a), (b) or (c) is consistent with fair practice.

In the case of copyright, there are the defences that the person claiming to own the copyright is not in fact the owner thereof, that the work was not original and thus copyright does not subsist, that it has expired or that there is no act of infringement.

Likewise, in the case of Plant Breeders Rights, the PBR has lapsed, expired, is invalid, or that none of the rights reserved for the rights holder have been performed.

27. Who can challenge each of the intellectual property rights described above?

Anyone.

28. When may a challenge to these intellectual property rights be made (e.g. during any registration process or at any time during the subsistence of the right)?

Except for trade marks and plant breeders' rights, where pre-grant opposition is possible patents and registered designs can only be challenged after registration thereof.

29. Briefly, what is the forum and the procedure for challenging each of these intellectual property rights and what are the grounds for a finding of invalidity of each of these intellectual property rights?

Patents

All patent matters are dealt with by the Court of the Commissioner of Patents (High Court).

In terms of Section 61 of the Patents Act, any person may at any time apply in the prescribed manner for the revocation of a patent on any of the following grounds only, namely -

- (a) that the patentee is not a person entitled under section 27 to apply for the patent;
 - (b) that the grant of the patent is in fraud of the rights of the applicant or of any person under or through whom he claims;
 - (c) that the invention concerned is not patentable under section 25;
 - (d) that the invention as illustrated or exemplified in the complete specification concerned cannot be performed or does not lead to results and advantages set out in the complete specification;
 - (e) that the complete specification concerned does not sufficiently describe, ascertain and, where necessary, illustrate or exemplify the invention and the manner in which it is to be performed in order to enable the invention to be carried out by a person skilled in the art of such invention;
 - (f) that the claims of the complete specification concerned are not -
 - (i) clear; or
 - (ii) fairly based on the matter disclosed in the specification;
 - (g) that the prescribed declaration lodged in respect of the application for the patent or the statement lodged in terms of section 30(3A) contains a false statement or representation which is material and which the patentee knew or ought reasonably to have known to be false at the time when the statement or representation was made;
 - (h) that the application for the patent should have been refused in terms of section 36;
 - (i) that the complete specification claims as an invention a microbiological process or a product thereof and that the provisions of section 32(6) have not been complied with.
- (2) An application for revocation shall be served on the patentee and lodged with the Registrar in the prescribed manner and shall thereafter be dealt with in the manner

prescribed.

(3) The Commissioner shall decide whether the patent shall be revoked or whether and, if so, subject to what amendments, if any, of the specification or claims thereof, the patent shall be upheld: Provided that the Commissioner shall not allow any amendment which is in conflict with the provisions of section 51(6) or (7): Provided further that the Commissioner may in the exercise of his discretion as to costs take into consideration the conduct of the patentee in framing his specification and claims and permitting them to remain as so framed.

The Procedure for the Revocation of a Patent is as follows:

Letter of demand

A letter of demand to surrender the patent should be sent to the patentee before an application for revocation is lodged.

Application for revocation and statement of particulars

An application for revocation is made on Form P.20 and must specify the grounds on which the applicant intends to apply for the revocation of the patent. The application for revocation must be accompanied by a statement of particulars of the grounds on which the application is based and must be served on the patentee at its address for service in this country.

Counterstatement

1 If the patentee wishes to contest the application for revocation, a counterstatement in the form of a plea must be lodged with the Registrar and a copy of the counterstatement served on the applicant.

2 The counterstatement must be filed within two months after receipt by the patentee of the application for revocation.. The Registrar can extend this period by agreement between the parties or, in the absence of agreement, if good cause is shown.

3 If no counterstatement is filed the patent is deemed to be revoked.

Evidence

1 The applicant for revocation may within two months from the receipt by him of the counterstatement file evidence in support of his objections.

2 Within two months from the receipt of the copy of the applicant's evidence or, if the

applicant does not file any evidence, then within two months from the expiration of the time within which the applicant's evidence should have been filed, the patentee may file evidence in support of his patent.

3 Within two months from the receipt of the copy of the patentee's evidence the application may file evidence confined to matters strictly in reply.

4 No further evidence may be filed by either party except by leave or direction of the Commissioner of Patents.

5 Normally evidence filed by the applicant for revocation in support of his application, or by the patentee in support of his patent, is by way of affidavit, unless otherwise directed by the Commissioner of Patents. Copies of all affidavits filed by either party must be served on the other party.

6 The Registrar may extend the abovementioned periods by agreement or, in the absence of the consent of the other party, if good cause is shown.

Onus

The onus in revocation proceedings is on the applicant and revocation to establish his objections on a balance of probabilities.

Hearings

The hearing of the application for revocation takes place before the Commissioner of Patents.

Appeal

Subject to leave to appeal being granted, the decision of the Commissioner of Patents may be appealed against to the relevant Gauteng North High Court. Thereafter a further appeal lies to the Supreme Court of Appeal and possibly the Constitutional Court.

An application for revocation can often be heard within one year after the filing of the application, subject to the availability of dates on the court roll.

Revocation in patent infringement proceedings

Apart from the substantive revocation proceedings provided for in section 61 of the Patents Act No. 57 of 1978, a counterclaim for the revocation of a patent may in terms of section 65(4), be made by a defendant in patent infringement proceedings. Any ground on which the

patent may be revoked may be relied upon by way of a defence.

Trade Marks - Opposition to the grant of a Trade Mark is lodged with an heard by the Commissioner of Trade Marks.

Opposition may be entered once a trade mark has been advertised in the Patent Journal. An interested party has three months from the date of advertisement to lodge an opposition. This term may be extended.

A Notice of Opposition is brought in accordance with form TM3 of the second schedule. It is supported by an affidavit which is sworn to before a Commissioner of Oaths or notarised. This affidavit must contain the grounds upon which the opposition is based and all evidence relevant thereto. The grounds upon which a trade mark are not registrable can be found in section 10 of the Act.

The Opposition Notice must be served upon the address for service of the trade mark owner, as appears from the Register, and also on the Registrar Trade Marks. Email service is acceptable.

The trade mark owner has two months within which it may give notice as to whether it intends defending the opposition. Once the Notice of Intention to Defend has been served upon the opponent and filed at the Registry, the trade mark owner has one month to lodged its answer. The answer is provided in an affidavit which is sworn to before the Commissioner of Oaths or notarised.

The Opponent has one month from receipt of the Answer to lodge a Reply on affidavit.

Once the papers have been closed, a hearing date will be allocated. At present, all matters are referred by the Registrar to the High Court, as they are no hearing officers appointed within the Registry. The act states that Heads must be provided two working days before the hearing date. If the matter has been referred to the High Court, obviously the High Court rules must prevail. A decision is usually handed down during the hearing before the Registrar, and the written confirmation of the order follows.

Expungement of a registered trade mark

Application for expungement from the register of the registered trade mark is also brought on Form TM3, with an affidavit commissioned before a Commissioner of Oaths, or notarised.

The grounds upon which a trade mark may be removed from the register are basically the same as those upon which an opposition may be based. it is also possible to expunge a trade mark on the basis of non-use, where that mark has not been used for a continuous period of

five years after registration or there is no intention to use the mark.

The procedure followed is the same as in an opposition procedure: namely a Notice of Intention to Defend must be lodged within two months of the TM3. The Answer must follow within a month and then another month is granted within which to Reply. The hearing officer must be convinced that the mark was wrong the entered onto the register.

Once again, In practice, the Registrar is not hearing these matters, but referring to them to Court. in terms of the Act, the Registrar may hear the matter. She requires Heads to be lodged two days prior to the hearing.

Plant Breeders' Rights

In terms of Section 17 of the Act, any person may lodge an objection with the registrar to the grant of a plant breeder's right in pursuance of an application in terms of section 7. The applicant may lodge with the registrar a counter-statement against such objection.

30. Are there any other methods to remove or limit the effect of any of the intellectual property rights described above, for example, declaratory relief or licences of right?

Compulsory licenses are possible in terms of the Patents Act.

In terms of Section 56 of the Act, any interested person who can show that the rights in a patent are being abused may apply to the Commissioner in the prescribed manner for a compulsory licence under the patent.

The rights in a patent shall be deemed to be abused if -

the patented invention is not being worked in the Republic on a commercial scale or to an adequate extent, after the expiry of a period of four years subsequent to the date of the application for the patent or three years subsequent to the date on which that patent was sealed, whichever period last expires, and there is in the opinion of the Commissioner no satisfactory reason for such non working;

the demand for the patented article in the Republic is not being met to an adequate extent and on reasonable terms;

by reason of the refusal of the patentee to grant a licence or licences upon reasonable terms, the trade or industry or agriculture of the Republic or the trade of any person or class of persons trading in the Republic, or the establishment of any new trade or industry in the Republic, is being prejudiced, and it is in the public interest that a licence or licences should be granted; or

the demand in the Republic for the patented article is being met by importation and the price charged by the patentee, his licensee or agent for the patented article is excessive in relation to the price charged therefore in countries where the patented article is manufactured by or under licence from the patentee or his predecessor or successor in title.

Similar provisions apply under the Designs Act for compulsory licenses:

In terms of Section 21 of the Act, any interested person who can show that the rights in a registered design are being abused, may apply to the [High] court in the prescribed manner for the granting of a compulsory licence in respect of the registered design.

The rights in a registered design shall be deemed to be abused if -

(a) articles embodying the registered design are not available to the public in the Republic on a commercial scale or to an adequate extent after the registration date, and there is in the opinion of the court no satisfactory reason therefor;

(b) the availability of articles embodying the registered design in the Republic on a commercial scale or to an adequate extent is being prevented or hindered by the importation of such articles;

(c) the demand for the articles embodying the registered design in the Republic is not being met to an adequate extent and on reasonable terms;

(d) by reason of the refusal of the registered proprietor to grant a licence or licences upon reasonable terms, the trade or industry or agriculture of the Republic or the trade of any person or class of persons trading in the Republic, or the establishment of any new trade or industry in the Republic, is being prejudiced, and it is in the public interest that a licence or licences should be granted; or

(e) the demand in the Republic for the articles embodying the registered design is being met by importation and the price charged by the registered proprietor, his licensee or agent for the said articles is excessive in relation to the price charged therefor in countries where the said articles are manufactured by or under licence from the registered proprietor or his predecessor or successor in title.

The Plant Breeder's Rights Act also makes provision for a Compulsory License.

In terms of Section 26 of the Act, any person who is of the opinion that the holder of a plant breeder's right unreasonably refuses to grant him a licence, or that such a holder is imposing unreasonable conditions for the issue of such a licence, may in the prescribed manner and upon payment of the prescribed fee apply to the registrar for the issue to him of a compulsory

licence in respect of the relevant plant breeder's right.

The holder of such plant breeder's right may within the prescribed period and in the prescribed manner lodge a counter-statement with the registrar in which are set out the particulars of any ground upon which he contests the application in question.

The holder of such plant breeder's right shall serve a copy of the counter-statement on the person who made the application and shall furnish the registrar with proof of the service thereof.

If the person who made the application and the holder of the relevant plant breeder's right at any stage after the application has been lodged with the registrar, reach an agreement with regard to the issue of a licence, the person who made the application shall inform the registrar of the agreement, whereupon the application shall lapse.

31. What remedies (both interim and final) are available for infringement of each of the intellectual property rights described above?

For all forms of intellectual property the following remedies are available:

1. An interdict, whether urgent, interim, or final, depending on the circumstances.
2. An award of damages (actual damages proved to have been suffered by the IP owner or licensees).
3. Delivery up of infringing articles for destruction.
4. An award of costs of the litigation to the successful party (typically around 50% of the actual costs incurred)

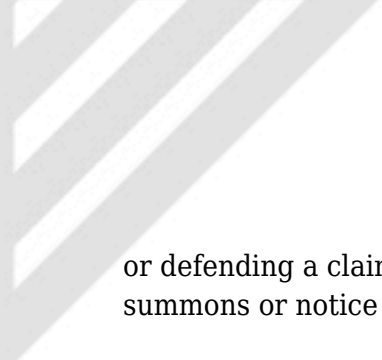
32. What are the costs of enforcement proceedings and is any kind of costs recovery available for successful parties? Is there a procedural mechanism enabling or requiring security for costs?

A foreign plaintiff can be required to provide Security for Costs and until acceptable Security for Costs has been provided the litigation cannot commence or continue. In Patent matters it is even possible to require Security for Costs from a Defendant /Respondent.

The award of costs is discretionary and a Judge can award costs according to the following three categories of costs awards viz. party-and-party costs, attorney-and-client costs, and in exceptional cases attorney-and own client-costs.

Party and party costs

Party and party costs are legal costs that a court may order the defendant to pay to the plaintiff in a court case. Party and party costs are costs incurred in the course of prosecuting



or defending a claim in court. These costs don't include legal costs incurred before a summons or notice of motion has been issued and served.

They also don't include costs related to attendances with your attorney. However, they do include the attorney's charges for time spent communicating with the other party's attorney, as part of the case.

Party and party costs are subject to court tariffs, which are set by law and charged according to fixed scales. These costs are conservative and high calibre attorneys and patent attorneys charge at a higher rate which cannot be recovered.

Disbursements necessary for the litigation, such as Advocates fees and expert witness fees are recoverable as paid.

Attorney and client costs

Attorney and client costs include party and party costs, as well as other legal costs including charges for attendances with your attorney.

This type of costs award is rare and requires an element of wrongdoing on the part of the party against whom costs are being awarded or it was a term of a contract, such as a license agreement.

Attorney and "own" client costs

A third category of legal costs in South Africa are so-called attorney and "own" client costs.

These are the actual fees payable by a client to an attorney, in terms of their fee agreement. They're not generally awarded by the Courts and are usually seen as punitive in response to the behaviour of a party or its counsel