

Answer all questions.

SECTION A

Question 1 (20 Marks)

Sipho is employed as a fine artist by Sundown CC, which regularly exhibits and sells paintings during the “Artists under the Sun” exhibitions at the Zoo Lake, Johannesburg.

While visiting Nelson Mandela Square one weekend, Sipho got an inspiration to sketch with a pencil and paper the sculpture of Nelson Mandela, which stands in the square. During his working hours and using paper and paints from the Sundown CC offices he converts the sketch into a beautiful black and white water colour painting. Sipho found his painting so beautiful that he hung it on the wall in his office. Here is what the painting looks like:



- a) Is the sculpture of Nelson Mandela, which stands in the square eligible for copyright in terms of the Copyright Act? If eligible, when will copyright in the sculpture expire? **(4 marks)**

**1 mark** for explaining that the sculpture qualifies as an artistic work under the Copyright Act- sections 1(1) and 2(1).

**1 mark** for explaining any of the following considerations that may be taken into consideration:

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-That the work is original i.e., it is not too commonplace (trite, trivial or does not excite peculiar attention) and mentioning the relevant case of *Waylite Diary CC v First National Bank Ltd* or

-That the sculpture falls within protectable works under the Copyright Act- section 2(1) (c).

**1 mark** for explaining the correct position that the artist of the sculpture should be a qualified person under section 3(1) (a) of the Act or referring to the proviso to section 3(1) (b) i.e., it qualifies by virtue of being erected in South Africa.

**1 mark** for explaining that copyright expires fifty years from the end of the year when the author dies in terms of the Copyright Act- section 3(2)(a).

b) Assume that the sculpture is copyrightable. Advise Siphon whether his painting is eligible for copyright. If it is eligible, when will copyright in the work expire? **(6marks)**

**1 mark** for explaining that Siphon's painting is copyrightable because it is a different work under the Copyright Act- section 1(1), - an artistic work.

**1 mark** for explaining any of the following requirements that may be taken into consideration:

-That the work is original; it is not too commonplace (trite, trivial or does not excite peculiar attention) and mentioning the relevant case of *Waylite Diary CC v First National Bank Ltd*.

-That the photograph falls within protectable works under the Copyright Act- section 2(1) (c).

**3 marks** for explaining the following additional requirements:

-Originality; the work should be of the author's or maker's own labours and endeavors and mentioning the court's explanation in the case of *Kalamazoo Division (Pty) Ltd v Gay*: "It must be shown that some labour, skill or judgment has been brought to bear on the work before copyright can be claimed successfully for such work."

-Existence in a material form; i.e. there is no copyright in ideas but the material form of expression of the idea (artistic features or attributes). The relevant case here is *Natal Picture Framing Co Ltd v Levin*.

-That the author is a qualified person in terms of section 3(1) (a)

**1 mark** for explaining that the expiry period of copyright takes should take into account the lifetime of Siphon and fifty years from the end of the year in which he dies in terms of the Copyright Act- section 3(2)(a).

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Sundown's marketing manager found Siphos painting very beautiful and submitted it for a bid for a tender, which called for suitable paintings to be printed on postcards by Jetwise Printers (Pty) Ltd. Sundown's submission was accepted and a copy of Siphos painting was printed on the Postcards, which were offered for sale as souvenirs during the 2010 Fifa world cup by Jetwise Printers (Pty) Ltd. Siphos has just learnt that a copy his painting was submitted to Jetwise Printers (Pty) Ltd by Sundown CC and that Sundown's contract with Jetwise Printers (Pty) Ltd has generated a lot of income for the CC.

On making this discovery, Siphos is upset. He storms into the Sundown CC's human resources manager's office and yells at him for not considering him for a salary increase particularly after his painting generated a lot of income for the CC. "This is intolerable!" Siphos concludes "I must sue for copyright infringement".

c) Advise Siphos on his prospects of success in copyright infringement proceedings against Jetwise Printers (Pty) Ltd. **(10 marks)**

**1 mark;** for explaining the difference between a contract of service (*locatio conductio operarum*) and a contract of work (*locatio conductio operis*) and making the correct conclusion that Siphos is a contract of service.

**2 marks;** for explaining that in terms of s 21(1) (d) and *King v South African Weather service case*, Siphos made the painting in the course of his employment with the CC.

**2 marks;** for explaining that the CC became the owner of copyright in the painting by virtue of the contract of employment.

**1 mark;** for explaining that for Siphos to succeed, he needs to prove unauthorised adaptation of his work by Jetwise.

**2 marks;** for explaining that the adaption is authorised by virtue of the contract between Jetwise and the CC.

**2 marks;** for advising Siphos that his claim against Jetwise cannot succeed because copyright in the painting is owned by the CC by virtue of his contract of employment with the CC.

**Question 2 (10 marks)**

Zippy (Pty) Ltd (Zippy) manufactures and sells gift items. One of its products, which has been in the market since 2002, is a rose-shaped aromatherapy candle as in the photograph below:

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The shape of the candle and name mark ‘ZippyLumina Body’s Delight’ were registered in the year 2002 in Class 4 (Industrial oils and greases; lubricants; dust absorbing, wetting and binding compositions; fuels (including motor spirit) and illuminants; candles, wicks). The candle has widely been sold in South Africa and is mostly used for stress relief.

Empress Ltd (Empress) is a company, which is registered in Malaysia and has been manufacturing and selling aromatherapy products in Malaysia since 1995. One of its products, which has become a popular gift for mothers’ day, in many countries including South Africa, is a rose-shaped aromatherapy bar soap as in the photograph below:



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The shape and name mark 'Body's' Delight' are registered (only in Malaysia and not South Africa) in Class 3 (Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices).

However, a subsidiary company of Empress, trading under the name and style Emperors' Plaza (Pty) Ltd (Emperors) established a thriving market in South Africa in 1999 and has done extensive marketing of the 'Body's Delight' soap using local television channels and print media, mostly through beauty and health magazines, which are available in the local bookstores such as CNA and Exclusive Books.

Both Zippy and Emperors have wholesale shops along Main Reef Road in Johannesburg. On discovering that Zippy is manufacturing and selling the rose-shaped 'ZippyLumina Body's Delight' candles Empress gets furious, arguing that its shape and name marks are being infringed by Zippy.

Empress instructs you, as its attorney, to caution Zippy to desist from infringing its trade marks. After addressing an appropriate letter to Zippy, one of the paragraphs in Zippy's response to your demand letter is worded as follows:

"Rose-shapes are commonly used in the market since roses are beautiful and in any case we have established that your client's trademark is not even registered in South Africa. We can see that you have definitely forgotten that trade mark registration is territorial. Besides, Body's Delight is just descriptive of your client's soap. Please proceed with the threatened suit at your client's own risk and attendant consequences as to costs."

a) Explain the meaning of Zippy's statement that trade mark registration is territorial.

**(2 Marks)**

**2 marks;** for explaining that trade mark rights are determined by the national laws of the country in which they are granted and the rights are limited to the territory of the country, which grants protection.

b) Empress is seriously considering suing Zippy for infringing its trademarks. Explain whether or not trademarks such as Empress Ltd's Body's Delight are protected under the South African Law. Assuming that the trademarks are protected, highlight the requirements that must be satisfied for Empress' proposed application for infringement to succeed.

**(8 Marks)**

**2 marks;** for explaining that the trade marks are protected under s 35 of the Trade Marks Act by virtue of SA's obligations under the Paris Convention.

**2 marks;** for explaining the following requirements using the case of *McDonald's corporation*:

-The trade mark must be well-known in South Africa at the date when the application is filed.-The trade mark must have a certain reputation in South Africa.

**4 marks;** for explaining that the proposed application can't be brought under section 34 since the section is subject to section 33, which requires registration of the trade mark in South Africa.

However, Empress can rely on section 35(3) if it can prove the following:

- The mark is well-known in South Africa since it has had exposure in SA as a result of spill-over advertising through television and/or the print media.
- The proprietor is domiciled or has a commercial establishment in a convention country.
- The reproduction, imitation or translation of the well-known mark has been used in relation goods or services identical or similar to the goods or services in respect of which the trade mark is well-known.
- The use of the trade mark is likely to cause confusion.

## **Section B**

### **Multiple choice questions**

**Answer all questions by writing down the question number and the letter corresponding to the correct answer.**

**There are ten questions in total. There is only one correct answer per question. There is no penalty for the wrong answer.**

3. Which of the following statements is correct?
- a) The exclusivity period provided for a patent lasts for 21 years provided that the patent is renewed.
  - b) The exclusivity period provided for a patent lasts for 25 years provided that the patent is kept in force.
  - c) The exclusivity period provided for a patent lasts for 50 years provided that the patent is not revoked on the basis that it is invalid.
  - d) **The exclusivity period provided for a patent lasts for 20 years provided that the patent is not revoked on the basis that it is invalid.**
  - e) The exclusivity period provided for a patent lasts for 50 years provided that the patent is kept in force.

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4. Which of the following statements is correct?
- a) A patent is regarded as being *prima facie* valid in South Africa.
  - b) A patent provides protection in respect of a concept or an idea, which protection is necessarily dependent upon the physical embodiment of the concept or idea.
  - c) An inventor can be a natural or juristic person.
  - d) Section 59(2)(a) of the Patent Act of 1978 can be interpreted to mean that an invention made by an employee outside the course and scope of employment is owned by the employer.
  - e) The filing of a provisional patent specification is compulsory.
5. Which of the following statements is correct?
- a) Joint inventors do not have to work together, or at the same time or in the same place, but they must make the same type of contribution.
  - b) When filing a successful PCT application you will be able to obtain an international patent.
  - c) South African Patent Office does not provide for a substantive examination system
  - d) After filing a provisional patent specification, the applicant has 18 months to file a complete patent specification or to bring an international application.
  - e) The 18 month period to file a complete patent specification or to bring an international application is extendable in the case of an international application to 20 months.
6. Which of the following statements is correct?
- a) The European Patent Office does not allow patents for second medical indications.
  - b) With a non-exclusive license the patentee may exercise the invention and may license it to other people.
  - c) With a sole license only the licensee may exercise the invention to the exclusion of other patentees.
  - d) With an exclusive license the patentee and the licensee are the only ones who may exercise the invention.
  - e) With a sole license only the patentee may exercise the invention to the exclusion of other parties.

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7. Which of the following statements is correct?
- a) Only the patentee may sue for infringement.
  - b) An application for revocation of a patent can only be brought as a counterclaim against an action for infringement.
  - c) Restoration is to be considered when a patent lapses as a result of the non-payment of renewal fees.
  - d) A clerical error, in terms of South African patent law, has generally been held to include errors that have been deliberately made.
  - e) A clerical error, in terms of South African patent law, has generally been held to include errors made in sheer ignorance.
8. Which of the following statements is correct?
- a) The law of copyright considers a work to be original notwithstanding that it has been copied from a previous work, provided sufficient skill and effort have been embodied in creating the subsequent work.
  - b) In the case of *Waylite Diary CC v First National Bank Ltd* 1995 (1) SA 645 (A), Waylite Diary's application for an order interdicting First National Bank from infringing their copyright was dismissed because there was no inventive step involved in drawing the appointment pages in the diary.
  - c) In terms of the Copyright Act, a cinematograph film includes the scenario of the film.
  - d) Video games fall within the category of computer programmes under the Copyright Act.
  - e) A juristic person cannot be the author of a work in terms of section 3(1) of the Copyright Act.
9. Which of the following statements best sums up the holding of the court in *Rapid Phase Entertainment CC v SABC* [1997] JOL 393 (W)?
- a) The description of literary works in section 1 of the Copyright Act includes stories in cartoon strips.
  - b) To succeed in a claim for infringement, a claimant must establish the copying of the embodiment of an idea in a cartoon strip.
  - c) The court found that the relationship between the close corporation's cartoon strips and the respondent's television advertisement was so similar that the advertisement infringed the close corporation's copyright in the cartoon strips.
  - d) SABC had used the cartoon characters which appeared in the strip for the purpose of implanting their reputation on its advertising services.
  - e) SABC had broadcast the close corporation's cartoon strips using live characters and this constituted copyright infringement.



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10. Which of the following statements best sums up the holding of the court in *Lorimar Productions Inc v Sterling Clothing Manufacturers (Pty) Ltd* 1981 (3) SA 1129 (T)

- a) There was enough evidence placed before the court that the public in South Africa had in fact been deceived by the use of the names "Dallas", "Southfork" and "JR".
- b) The respondents' act of cashing in on the popularity of the Dallas series constituted passing off.
- c) The name Lorimar or the names of locations or characters in Lorimar's television series had a reputation in respect of clothing and also in respect of the restaurant business.
- d) There can never be passing off where there is no common field of activity.
- e) Lorimar failed to show that it had any goodwill in respect of clothing and restaurants.

11. Which of the following statements best sums up the main reason why the passing off action by the appellant in *Caterham Car Sales & Coachworks Ltd v Birkin Cars (Pty) Ltd* 1998 (3) SA 938 (SCA) was unsuccessful?

- a) The mark, which the appellant relied upon, was not registered in South Africa.
- b) The appellant had failed to establish that its goods had a reputation in South Africa.
- c) The use of numeral seven was not distinctive of the appellant's sports car.
- d) The manner in which the respondent used the mark was not capable of causing confusion.
- e) The particular shape and external configuration of the sports car were already in use by other competitors in South Africa.

12. Which of the following statements is correct?

- a) An application for passing off cannot succeed without an applicant establishing actual deception or confusion.
- b) The consideration of distinctiveness is sufficient in determining whether goods are calculated to deceive in a passing off action.
- c) The court did not grant Adcock-Ingram's claim for passing off in the case of *Adcock-Ingram Products Ltd v Beecham SA (Pty) Ltd* 1977 (4) SA 434 (W) because Adcock-Ingram failed to show that the closing means for the Je t'aime body spray had come to be associated with its product.
- d) The mere proof of reputation in a passing off action is sufficient.
- e) The comparison of competing marks is sufficient for establishing a claim for passing off.

**Total for section B: 10 marks**

**Total for paper: 40 marks**