Africa intellectual property decisions and legislative reforms round-up 2020

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Introduction

In 2020, courts in individual African countries delivered a series of important rulings in the IP field. There were also significant legislative reforms in IP laws in some parts of the African continent. This contribution provides a round-up of the most significant court decisions and legislative reforms issued in the period 1 January–31 December 2020.

The analysis is made in relation to different IP rights (IPRs), starting with relevant decisions of courts on the African continent before moving to legislative reforms and developments across Africa:

Copyright

Trade marks

Patents and Designs

Other IPRs

Current developments

In the case of court decisions, each selected decision is presented according to the following template:

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This article

- In 2020, national courts in individual African countries delivered a series of important rulings in the intellectual property rights field. There were also significant legislative reforms in intellectual property laws in some parts of the African continent. This article provides a round-up of the most significant judgments and legislative reforms issued in the period 1 January–31 December 2020.
- The analysis is divided by area (court decisions and legislative reforms); by IPRs (copyright, trademarks, patents and designs, other IPRs) and country (mostly Kenya, Mauritius, Nigeria and South Africa).

1. Case reference;
2. Short summary;
3. Analysis;
4. Practical and broader significance.

As Africa is a continent with 54 countries, each with distinct laws and legal systems, collecting decisions of national courts across the continent is quite difficult. We have thus been unable to cover all 54 countries in Africa and have limited ourselves mostly to jurisdictions where each of the contributors practices in.

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I. Copyright

(a) Court decisions

Kenya

Simon Otieno Omondi v Safaricom (K) Limited, Civil Case No 499 of 2011, High Court of Kenya, Minimani Law Courts, 22 May 2020, Nzioka J

Summary. In 2001, the plaintiff sent a business proposal titled 'maliza story service' and 'credit advance of all value for mobile phone users' to the defendant, the largest telecommunications company in Kenya. According to the plaintiff, the proposal was 'an idea' to improve the defendant's service by increasing call credit advance to their existing customers. The defendant later launched a promotion labelled 'maliza stori' with 'improved okoa jahazi' leading the plaintiff to sue for infringement of his copyright in the proposal. The defendant produced evidence to show that its related companies in other jurisdictions were already offering call credit advance services for their customers. The defendant further argued that under section 22 of Kenya's Copyright Act 2001, the plaintiff's works did not satisfy the originality requirement and therefore does not qualify for copyright protection.

Analysis. The court agreed with the defendant and held that the plaintiff's work as represented in his written proposal to the defendant was not original and therefore was not eligible for copyright protection. This decision was based on the plaintiff's admission that his proposal was to *improve* the defendant's existing services.

Practical and broader significance. The decision confirms that ideas expressed in a proposal are eligible for copyright protection in Kenya in so far as such expressions satisfy the originality criterion. Furthermore, originality in such instances may be assessed through an enquiry into a defendant's pre-existing product and/or service offerings.

Ann Nang'unda Kukali v Mary A. Ogolla & another, Civil Suit No 94 of 2010, High Court of Kenya, Bungoma, 5 June 2020, Riechi J

Summary. The plaintiff, who was a student at Maseno University, submitted a thesis titled 'An Evaluation of Implementation of Safety Policy in Girls Boarding Secondary Schools in Bungoma East District Kenya' in partial fulfilment of the requirements for her master's degree in 2008. The 1st defendant, a student at the University of Nairobi, received a copy of the plaintiff's thesis from a mutual friend. In 2009, after making a few changes to the thesis, the defendant submitted a research proposal titled "Factors influencing the Implementation of Health and Safety Policy in Public Boarding Secondary Schools in Kenya. A case for Bungoma South District'. The Plaintiff instituted an action against the defendant for copyright infringement claiming that the defendant's research proposal plagiarised her work. The plaintiff also claimed damages for the infringement and an injunction restraining the 2nd defendant (University of Nairobi) from awarding the 1st defendant any degree premised on the allegedly infringing research work.

At trial, the 1st defendant argued that the plaintiff was not entitled to damages as the 2nd defendant's administrative action in rejecting the allegedly infringing research proposal was sufficient sanction. The 1st defendant also counter-claimed for general damages against the plaintiff for 'adverse publicity' resulting from the plaintiff's complaint to the 2nd defendant, which inter alia 'shattered her ambition of getting a doctorate degree'.

Referencing section 24 of Kenya's Copyright Act 2001, the court confirmed that the plaintiff's thesis was a literary work and qualified for copyright protection. The court further held that, by copying the plaintiff's thesis and submitting same as her research proposal, the 1st defendant was liable for copyright infringement. The court also noted that, although the defendant's thesis had a 'declaration of originality', an objective analysis of both works showed that both were substantially similar since the defendant had access to the plaintiff's work.

Analysis. In awarding damages to the plaintiff, the court reiterated that copyright infringement is a strict liability tort and no actual damages need to be established. More significantly, the court held that, in cases involving plagiarism, the quantum of damages awarded must take into consideration the fact that: the circulation of the plagiarized paper was limited to the supervisors; upon complaint, the subject publication was withdrawn; and the need for courts to assist academic institutions to maintain academic integrity. The sum of Kshs.300,000 (£1,962 approximately) was considered sufficient damages in the circumstances. The 1st defendant's counterclaim was dismissed with costs.

Practical and broader significance. This case underscores the negative impact of plagiarism of academic works and more significantly, it confirms that plagiarism is an actionable tort in Kenya.

Nigeria

Onyeka Onwenu and Another v Iroking Limited, FHC/L/CS/1486/2017, Federal High Court of Nigeria, Lagos Division, 16 January 2020, Aneke J

Summary. Damages were sought against Iroking Limited for copyright infringement due to the fact that it had continued to distribute plaintiff's music content on digital platforms after the digital distribution agreement between both parties had expired. Costs for engaging counsel and cost of litigation were also sought.

Analysis. Onyeka Onwenu is one of Nigeria's foremost music artist and performer and with the 2nd plaintiff (her record label) owned copyright in various songs, which Iroking Limited distributed on digital platforms under the terms of a digital distribution agreement. The dispute concerned whether the defendant's conduct in continuing to distribute the plaintiffs' music content past the expiration of the digital distribution agreement amounted to copyright infringement and whether and how much damages the plaintiffs were entitled to as a result. The court found that the defendant's conduct amounted to copyright infringement and awarded damages of N500,000 (approximately £955) instead of the sum of N200million (£382,000), requested by the plaintiffs. The court did not rule on the claims for cost of engaging counsel and cost of litigation.

Practical and broader significance. This case is significant as it confirms that digital distribution companies must ensure takedown of music content once they cease to have the consent of the relevant copyright owner to distribute. Otherwise, they would be liable for copyright infringement.

This said, there were several missed opportunities in this case. First, the case offered an avenue for judicial pronouncement on the assessment of damages for copyright infringement—the factors that courts should consider when awarding damages for infringement. Secondly, the case presented an avenue for the development of case law on ease of copyright enforcement for authors/IP enterprises. Where, as in this case, the plaintiff/copyright owner had repeatedly requested a takedown from a digital distribution company and have to incur the expense of instituting an action before such takedown can be effected, justice may be better served if the defendant is obliged to reimburse the plaintiff for this expense. A decision on these issues would have provided much-needed clarification.

TV Xtra Production Limited & Anor. v National University Commission & Zain Nigeria, FHC/ABJ/CS/680/2008, 6 May 2020, Federal High Court of Nigeria (Abuja Division), Ekwo, J.

Summary. TV Xtra had submitted a proposal to National University Commission to endorse 'University Challenge' (the 'UC Show'), its concept for an educational television quiz programme involving Nigerian university students as contestants. However, the NUC did not endorse the programme. Rather, they approved a similar show. 'Zain Africa Challenge' (the 'ZAC Show'), which was sponsored by the 2nd Defendant, a telecommunications network. The ZAC Show had previously aired in South Africa as well as some countries in East Africa. The Plaintiff claimed that the ZAC Show was an infringement of its IP in the UC Show, and relied on its registration of the proposal document for the UC Show ('UC Show Proposal') with the Nigerian Copyright Commission (NCC) as evidence of its exclusive copyright ownership in Nigeria.

Analysis. The court found that, by registration of the proposal document with the NCC, TV Xtra held exclusive copyright ownership in the show concept, and the factual similarities between both shows constituted an infringement of TV Xtra's copyright. Consequently, the defendants were held liable for infringement of the copyright in the UC Show, particularly the right of reproduction and adaptation and damages were awarded to TV Xtra in excess of US$1million.

From all indications, the UC Show Proposal is a document that set out details of a television show. This may be described as a television format.

Practical and broader significance. While the case confirms that television formats are eligible for copyright protection, it appears that the court placed undue weight on the fact of copyright registration. Registration is not a prerequisite for copyright protection under the Copyright Act. Rather, copyright protection is automatic and inherent in eligible works, from the moment of fixation. Registration of a work with the NCC could be helpful in proving that a work exists or was created on a certain date. However, it is not to be misconstrued as a requirement for copyright protection in Nigeria. The fact that there were substantial similarities between the plaintiff's television format and the defendant's existing television formats in South Africa and parts of East Africa should have featured more prominently in the court's mind in weighing the question of infringement. As works created by citizens of those countries are to be accorded the same protection as works by Nigerian citizens under the principles of national treatment and reciprocity, the question of infringement should not have been settled by solely considering the fact of the plaintiff's copyright registration in Nigeria.

Greenlight Music Publishing Limited & 2 Ors. v Copyright Society of Nigeria LTD/GTE, FHC/L/CS/1418/2019, 25 November 2020, Federal High Court of Nigeria (Lagos Division), Oguntoyinbo, J.

Summary. The Copyright Society of Nigeria Ltd/Gte ('COSON') was a collective management organization prior to the suspension of its licence in 2018 and subsequent expiry in 2019. By way of a practice called 'General Distribution', COSON would set aside a portion of royalties received and distribute to all its members equally. The plaintiffs sued COSON, requesting the court to declare that the 'General Distribution' practice was illegal as it did not reflect the usage of works represented by COSON, contrary to COSON's Memorandum and Articles of Association, and the Copyright (Collective Management Organisation) Regulations 2007 (the 'CMO Regulations').

The court held that companies are bound by their Memorandum and Articles of Association and must adhere to its provisions. To the extent that COSON's General Distribution practice contravened same, the court declared it illegal and made an order prohibiting COSON from engaging in 'general distribution' or any practice that does not reflect the usage information furnished by users.

Analysis. Regulation 15 of the CMO Regulations provides that every CMO shall 'distribute royalties collected to its members in a manner to reflect as nearly as possible the actual usage of works covered by its repertoire'. There are challenges with determining the actual usage of works in Nigeria. Most establishments do not maintain accurate logs of their use of music, and it would be difficult for the CMOs to allocate royalties with certainty. While this provision does not mandate exact distribution of royalties, COSON's 'General Distribution' practice makes no effort to ascertain the usage of works. It would, therefore, appear that the practice runs contrary to the CMO Regulations. However, the court did not make a pronouncement on the practice vis-à-vis the CMO Regulations.

Practical and broader significance. By limiting its decision to COSON's Memorandum and Articles of Association, the Court missed an opportunity to interpret Regulation 15 of the CMO Regulations. In the event that COSON amends its Memorandum and Articles of Association in the future to include General Distribution, it may resume the practice.

South Africa

Bergh and Others v The Agricultural Research Council, (Case no 93/2019) [2020] ZASCA 30, 1 April 2020, Supreme Court of Appeal of South Africa.

Summary. The appeal herein was against the order of the lower court, which found the appellants liable for copyright infringement and unlawful competition in relation to BeefPro, a computer program used as a cattle management tool. The said order was based on the claim by the Agricultural Research Council (hereinafter referred to as 'the ARC') that it owned copyright in the BeefPro programme, having commissioned the 4th appellant to develop the programme.

Analysis. The Supreme Court of Appeal upheld the appeal and set aside the judgment of the lower court. In doing so, the court held the Copyright Act 1978 (as amended) defines the author of a computer program as the person who exercised control over the making of the computer program. Therefore, the onus was on the ARC to prove that it exercised control over the making of BeefPro. The evidence provided was such that the programme had been authored by the 4th appellant working independently with his own skill and experience, only seeking specific information from the ARC; with the view of ensuring that the programme served its purpose.

Practical and broader significance. The decision confirms that, where a programmer is commissioned to write a computer programme such as under a contract for work or commissioning agreement, whether the person commissioning the work would be the author and/or copyright owner of such work would depend on if they exercised control over the development of the programme. While a commissioner does not need to possess programming knowledge or skill to exercise the requisite control, they (the commissioner) need to be in a position where they provide the direction in which the development of the programme should proceed, or could terminate further development if they wished to do so.

Furthermore, the decision in this case reaffirms that it is imperative for parties to enter into agreements, which clearly set out the ownership of intellectual property as with the agreement in place, the chances of no disputes relating to ownership would be significantly reduced.

See *Quad Africa Energy (Pty) Ltd v The Sugarless Company (Pty) Ltd and Others*, below at Section II(a).

(b) Legislative reforms

Kenya

Copyright Regulations, 2020. The Copyright Amendment Act enacted in 2019 introduced a number of legislative changes in Kenya. This, in turn, prompted the issuance of the Copyright Regulations, 2020 and Copyright (Collective Management) Regulations, 2020 (the Regulations), in September 2020.

Enacted in September 2020, the regulations aimed at easing the process of copyright administration through registration. Although registration is not mandatory in Kenya, copyright holders may opt for registration and receive an official registration certificate to prove ownership. Regulation 4(2) mandates the Executive Director of Kenya Copyright Board (KECOBO) to keep a register of all registered works. Lack of an official register of works posed a challenge, as it was not possible to conduct a search. The form of the register can be electronic or physical. In the wake of the COVID-19 pandemic, allowing an electronic register is paramount as it reduces the number of physical visits to KECOBO offices. The same regulations allow online filing applications to register works as well as electronic certificates as long as they contain tamperproof features. Although KECOBO has been administratively receiving electronic applications, enshrining it in a statute and allocating resources for its administration allows the practice to go a step further. Electronic filing also eases registration process; reduces costs related to physical applications and increases access to KECOBO. Physical applications are lodged in the office located in the capital city, which is not accessible to everyone. Regulation 5 creates room for use of deeds of assignment to convey copyright. Section 33(3) of the Copyright Act had limited this to verification letter from KECOBO posing challenges for those outside the country.

Copyright (Collective Management) Regulations, 2020. The new Copyright (Collective Management) Regulations, (CMO Regulations) were heavily motivated by the frustrations expressed by Kenyan artists on the royalties received from their collecting societies. The Regulations are aimed at improving the management of collective organizations to optimize their impact on their individual members.

The Regulations introduce strict and additional requirements for renewal and registration of a CMO. Requirements include detailed operations report for the year preceding the date of application; certified copies of licenses or deeds authorizing management of the rights; and a business plan showing the CMO's financial infrastructure, personnel and capacity for collection and distribution of royalties etc. In determining whether an organization has capacity to collect and distribute royalties, KECOBO is to be guided by Article 10 of the Constitution which sets out the national values and principles of governance. Collection and distribution of royalties and mismanagement of CMO's affairs has a long time been a big problem for the organizations and members. In some instances, CMOs have spent more than 70 per cent of their collections on administrative costs distributing only 30 per cent to members. This practice is now expressly prohibited under Regulation 5(3)(e). This is coupled with the power given to the KECOBO to appoint an auditor to conduct forensic audit on an organization to determine their ability to collect and distribute royalties. The members of staff of a CMO, may be subjected to an annual lifestyle audit mainly to ascertain any source of their wealth or income.

To increase the KECOBO's oversight and supervisory powers over CMOs, regulation 6 requires quarterly reports on members' interests in addition to matters on accounts minutes etc. These powers extend to general and extra ordinary meetings of CMOs which are the highest decision-making authority of any incorporated body. Regulation 10 requires CMOs to submit notices calling for meetings and any amendments to the agenda to the members, KECOBO and the company secretary. Although this rule allows KECOBO to know what is happening within a CMO, the limits and extent of its participation are unclear. For instance, should the KECOBO participate by voting, discussing or attending general meetings or its simple monitoring? The rule leans towards the caution as such participation by the KECOBO may cause conflict given their overall oversight obligations. From previous experience, clarity will be required as now it is possible to expand the mandate of the KECOBO after they receive the notice for a meeting.

Regulation 11 requires the KECOBO to ensure effective public participation during registration of CMOs by inviting comments from members of public upon receipt an application. In opening the door for public participation, the regulations create an opportunity to improve the governance of the CMOs through comments received from outside. Since this process will be repeated whenever a CMO applies to register or renew license, the forum may become KECOBO's useful source of feedback on CMO operations.

Part IV of CMO regulations is dedicated to setting the structure of the management of the CMOs. The previous fiduciary duties of CMOs have now been established as statutory obligations. This impetus allows the KECOBO to cite CMOs for violation of statutory duties. This, in addition to the responsibility of the CMO to act in accordance with their constitutive documents as corporate entities, will hopefully improve the management of the CMOs. The obligations include CMO's obligation to conduct meetings, act in the best interests of the members; obtain the authority of the members on matters before acting; admit members and publish the requirements for admission; supervise the management of the secretariat responsible for the day to day running of the CMO; conduct the business of the CMO in a prudent manner and avoid conflict of interest. In typical businesses, these are duties imposed on incorporated organizations when they receive the power to act on behalf of the members.

Management of revenue and distribution of royalties to members shall now be done in accordance with regulation 22 but in any case within nine months of the financial year when they were collected. This introduces certainty and members need not wait for prolonged periods to get their royalties.

KECOBO publishes annual tariffs payable by members of public for using copyright-protected works. Section 46A of the Copyright Act prohibits imposition or collection of royalties on an unapproved tariff. Under regulation 26, KECOBO shall publish approved tariffs three months prior to the expiry of the current one. At times and due to administrative bottlenecks, the publication has been very untimely jeopardizing the interests of copyright holders and creating a loophole in royalty collection and distribution.

One important aspect of the CMO Regulations 2020 is the recognition of alternative dispute resolution (ADR) mechanisms in Kenya. The Constitution of Kenya recognizes the place of alternative dispute resolution (ADR) in addressing conflicts and encourages those exercising judicial powers to encourage parties to consider them. Regulations 32 and 33 allow CMOs, subject to the consent of the parties, to submit or refer some conflicts to ADR mechanisms. This not only hastens the process of dispute resolution but also allows the parties the freedoms associated with ADR. In all probabilities, the persons overseeing the ADR process will possess intellectual property expertise, which will be an added advantage to the parties.

II. Trade marks

(a) Court decisions

Mauritius

Eureka E.C Oxenham & Cy Ltd v Oxenham A E & Anor, Case No 92 of 2020, 25 May 2020, Supreme Court of Mauritius, Jugessur-Manna J.

Summary. The dispute here centred on whether the respondent could use his name and signature 'Alexander Oxenham' and 'A. Oxenham' on bottles of wine produced by his winery 'Takamaka Boutique Winery' when the surname 'OXENHAM' had already been registered as a trade mark by the applicant company whose founder and director's surname is Oxenham.

Analysis. Relying on French case law, the court held that there is no infringement of trade mark rights when a first name is added to a surname already registered as a trade mark, provided that there is no state of confusion in the minds of the public be it visually, phonetically or orally. After comparing the trade marks of the applicant and respondent, the court was satisfied that there was no likelihood of confusion and that the respondent had taken the necessary precaution to distinguish his signature from the applicant's mark by adding his first name or the initial of his first name. The surname was written not as a trade mark but as the surname of the winemaker.

Practical and broader significance. This case clarifies that the registration of a surname as a trade mark does not grant the trade mark owner an absolute exclusive right to the surname as another bearer of the same surname may register it as a trade mark with the addition of his first name, as long as no confusion is created in the minds of the public.

South Africa

Quad Africa Energy (Pty) Ltd v The Sugarless Company (Pty) Ltd and Others, (1176/2018) [2020] ZASCA 37, 9 April 2020, Supreme Court of Appeal of South Africa, Ponnan, Wallis, Makgoka, Schippers and Mbatha JJA

Summary. The first respondent, the Sugarless Company (Pty) Ltd (TSC), is an Australian company and proprietor of the S SUGARLESS logo in South Africa in class 30, for a broad range of goods, including confectionery. The appellant, Quad Africa Energy (Pty) Ltd (QAE), had confectionary products in South Africa and had applied to its products two different packaging, which was alleged to be infringing on TSC's trade mark. While QAE accepted that its first packaging may constitute an infringement of TSC's trade mark and undertook to change the packaging, TSC was not satisfied with QAE's second/new packaging and demanded various undertakings as well as the immediate cessation of the use of the new packaging.

The appeal herein is against parts of the decision of the lower court (i) refusing to grant the disclaimer in respect of the word 'SUGARLESS' against TSC's trade mark registration, (ii) declaring that the two different packaging from QAE constituted copyright infringement, (iii) declaring that QAE's second/new packaging constituted passing off, (iv) interdicting the use of the trade mark 'SUGARLESS' and 'SUGARLESS CONFECTIONERY', and (v) granting relief under the Counterfeit Goods Act in respect of the second/new packaging.

Analysis. In holding that the 'SUGARLESS' trade mark should be subject to a disclaimer restricting its use to the entirety of TSC's trade mark registration, the Supreme Court of Appeal (SCA) applied two key cases involving disclaimer applications in South Africa. First, the SCA applied *Cadbury (Pty) Ltd v Beacon Sweets & Chocolates (Pty) Ltd and Another 2000 (2) SA 771 (SCA) paras 13 and 14*, where it was held that the primary function of disclaimers is to prevent the registration of a composite mark from operating so as to inhibit the use of the disclaimed element by others. Secondly, the SCA applied *Cochrane Steel Products (Pty) Ltd v M-Systems Group (Pty) Ltd and Another [2017] ZASCA 189 para 22*, holding that 'traders should not be put to the trouble and expense of manufacturing and selling their products and then be subjected to the risk of infringement litigation where the Act has provided a mechanism to provide certainty' through the use of disclaimers where appropriate. In its analysis, the SCA expanded upon the above principles, stating that a disclaimer is not applicable to the whole of the mark. Instead, it should be applied to only that part of the mark which is not capable of distinguishing within the meaning of section 9 of the Trade Marks Act. Accordingly, the court directed the 2nd respondent, CIPC, to indicate a disclaimer against TSC's trade mark such that the 'SUGARLESS' part of the mark is not used separate from the whole of the mark as to create a monopoly over 'SUGARLESS' in the confectionary industry and elsewhere.

On the issue of whether QAE's logo was an adaptation of TSC's logo and therefore constituted copyright infringement, the SCA held that the 'mere fact that prior work has been used does not mean that the subsequent work is to be considered an adaptation, and thus an infringement. The actual creative composition has to be similar, not just the idea. There is no copyright in ideas or thoughts'. The court held that on a comparison of the general resemblance of the two works, there was no copyright infringement. In the court's view, comparison of copyright works requires using the eye to judge general resemblance unlike comparison of commercial designs that requires detailed examination or dissection of the works given that resemblance may be 'due to common subject-matter or stock designs'.

Similarly, the court held that there was no passing off on the part of QAE regarding the new packaging, as the appropriate test was to 'compare the overall impact of the entire get-up on each of the potential customers'. In considering the issue of trade mark infringement in the cross appeal, the court held that 'where descriptive terms are used as trade marks, the court will accept comparatively small differences as sufficient to avert confusion and, what is more, a measure of confusion is accepted'. As such, the cross appeal must fail.

With reference to relief granted under the Counterfeit Goods Act, the SCA held that the lower court granted the relief without considering the requirements of counterfeiting. As the claim of breach of copyright, not that of trade mark infringement, had been made out in relation to the packaging, the appeal against the order under the Counterfeit Goods Act was upheld.

Practical and broader significance. This case reaffirms the position that, apart from trade mark protection, company logos may also be protected as artistic work under copyright law. However, to make a case under the Counterfeit Goods Act, such company logos used on product packaging must be established as trade mark infringement.

Milestone Beverage CC and Others v Scotch Whisky Association and Others, (1037/2019) [2020] ZASCA 105, 18 September 2020, Supreme Court of Appeal of South Africa, Ponnan, Makgoka and Schippers JJA and Sutherland and Poyo-Dlwati AJJA

Summary. This case concerned an appeal by the appellants against the decision of the High Court, which held the appellants liable for unlawful competition both at common law and by virtue of the Liquor Products Act No 60 of 1989 (South Africa). The first respondent, the Scotch Whisky Association (the SWA) is the trade association of Scotch whisky industry established to protect and promote the interests of the Scotch whisky trade generally and to enter into legal proceedings in any territory of the world in defence of the interests of the Scotch whisky trade. The other respondents are producers, suppliers, distributors of and owners of IP in Scotch whisky brands. The respondents' claim against the appellant was that the appellants project Scottish provenance for their products in using the names 'Royal Douglas' and 'King Arthur'; in using certain getup indicative of Scottish origin, and in misrepresenting their products as Scotch whisky or whisky. The respondents further contended that the appellants' attempt to change their getup was not enough as the new getup was still suggestive of Scottish provenance and that the claims of the appellants' product being whisky or related to whisky were false and yet, continued.

Analysis. In dismissing the appeal and holding that the respondents were entitled to an interdict restraining the appellants from further conduct amounting to unlawful competition, the SCA assessed three main aspects and concluded as follows:

- Representing that a product was whisky and distributing such product with get-ups that suggested Scottish and British provenance when neither was true constituted unlawful competition, which is an actionable wrong distinct from that of passing off. This was based on the decision in cases such as *Long John International Ltd v Stellenbosch Wine Trust (Pty) Ltd* 1990 (4) SA 136 (D) at 143G-I, where the court held that once a person falsely and culpably represents to the public that his products are products of a particular character, composition or origin known by the public under a descriptive name which has gained a public reputation, there is unlawful competition even if such person does not pass of his product as that of another and/or even when such misrepresentation has not caused loss to other persons in similar or related business.
- Apart from unlawful competition under common law, it is also unlawful competition to trade in contravention of a statute. In this case, the appellants' misrepresentation as to the particular attributes, character, composition and origin of the Royal Douglas and King Arthur products was in contravention of the Liquor Products Act 60 of 1989 (LPA). By the court's reading, a product may, from the point of view of the LPA, only be sold if the description matches the content. Accordingly, representing a product as whisky when it was not, would be a contravention of the LPA.
- In respect of whether the court has jurisdiction to grant an interdict to restrain conduct that amounts to a statutory offence; and if yes, who has locus standi to move the court for interdictory relief, it confirmed that the court had such jurisdiction and that the respondents as traders in a business that the appellants were seeking to be associated with had the requisite locus standi to move the court for interdictory relief where the appellants' conduct might mislead members of the public to purchase their goods in preference to those of the respondent. The reason for this is that such interdicts are needed to stop the appellants from future and continuing unlawful competition. In this regard, one must take cognizance of that fact that interdicts are meant to restrain future or continuing statutory breaches of a statute as against criminal prosecution and punishments which are aimed at addressing past breaches.

Practical and broader significance. Apart from providing insight on how disclaimers are established in the trade mark register, this case confirms that prosecution and punishment are limited tools to address unlawful competition, especially those constituting statutory breaches or offences. Furthermore, once it is established that there is unlawful competition, the respondent has to do more to distance themselves from the offending get-up.

Discovery Ltd and Others v Liberty Group Ltd (21362/2019) [2020] ZAGPJHC 67; 15 April 2020, High Court of South Africa, Keightley, J

Summary. In April 2020 the High Court of South Africa, Johannesburg Division handed down judgment in a matter involving two household insurance names in South Africa, Discovery Ltd (hereinafter referred to as 'Discovery') and Liberty Group Ltd (hereinafter referred to as 'Liberty'). In this matter, Discovery sought an interdict against Liberty for the infringement of its Discovery Vitality and Discovery trade marks, as well as damages for the unlawful competition in the unlawful and unfair use of the Discovery Vitality programme.

In sum, Liberty introduced, as a part of its Liberty Lifestyle Protection Plan, the opportunity for its clients to disclose an existing wellness programme status, which is thereafter used to evaluate the clients after four years. These existing wellness programmes included the Discovery Vitality programme as well as Momentum's 'Multiply' programme. Discovery alleged that the use of the term 'Discovery Vitality', as appearing on Liberty's online quotation and instruction document, were unlawful in terms of sections 34(1)(a) and 34(1)(c) of the Trade Marks Act 194 of 1993. In addition to the above, Discovery argued that Liberty's use of the Vitality programme for its own commercial gain amounted to unlawful competition.

Analysis. The court had to ascertain whether the unauthorized use of the trade mark by third parties ie Liberty, would mislead customers by falsely identifying the origin of Liberty's goods and/or services with that of the trade mark proprietor, ie Discovery. In the judgment, the court went on to cite the SCA decisions in *Verimark* (*Verimark (Pty) Ltd v Bayerische Motoren Werke AktienGesellschaft*); *Bayerische Motoren Werke AktienGesellschaft v Verimark (Pty) Ltd* (250/06) [2007] ZASCA 53; as well as *Commercial Autoglass* (*Commercial Auto Glass (Pty) Ltd v Bayerische Motoren Werke Aktiengesellschaft* (331/06) [2007] ZASCA 96); by asking whether the public would perceive the use of the trade mark as performing the function of a 'source identifier' for the third party's goods or services. In

Verimark, a company advertised their Diamond Guard car polish by using different cars to show consumers what its product could do. One of the cars used was a BMW. BMW claimed that there had been a section 34(1)(a) infringement. The court in *Verimark* found that there had no infringement as alleged by BMW however in *Commercial Autoglass*, the court found that there was infringement as the use of the trade mark plainly misled the public as to the source identifier of the company's goods and created the impression that their windscreens were authorised by BMW when they were not.

The court in this matter held that Liberty's use of the trade marks in the quotation and instruction documents is not trade use for the purposes of section 34(1)(a) and that the use of the trade marks is limited and restricted to the two documents. The Court held further that the purpose of the use is to inform Liberty Plan customers that Liberty recognises Discovery Vitality membership as membership of an external, third party wellness programme that will qualify the customer in terms of the Wellness Bonus policy. It uses the trade marks to capture the information that is supplied by a customer who is a member of Discovery Vitality and therefore the use is descriptive and not trade mark use, that the reasonable customer would not, through the use, be confused and that it does not take advantage of Discovery's trade marks or reputation in anyway.

Practical and broader significance. This case provides an important distinction between trade mark use and descriptive use. To prove trade mark use in order to ground a case for trade mark infringement, a plaintiff must show that there is likelihood of confusion on the part of a reasonable customer, as well as an intention on the part of the defendant to take advantage of the plaintiff's reputation.

III. Patents and designs

(a) Court decisions

Nigeria

West African Cotton Company Limited v Hozelock Exel, FHC/L/CP/1240/2013, 14 February 2020, Federal High Court of Nigeria (Lagos Division), Aikawa, J

Summary. The Petitioner—West African Cotton Company Limited (WACCL)—sought the invalidation of Registered Designs Nos. RPD/D/F/RD/2010/96 RPD/D/F/RD/2010/97 (the '2010 designs') belonging to Hozelock Exel (Hozelock), relating to diaphragm knapsack pump sprayers, on grounds that the designs are not new. In support of its claim, WACCL tendered a sample of its own diaphragm knapsack pump sprayers as well as shipping documents showing the importation of its sprayers prior to Hozelock's application for registration of the 2010 designs. WACCOL's argument was that there are significant similarities between its sprayers (which existed prior to the Hozelock's application for registration) and the pump sprayers made from the 2010 designs.

In response, Hozelock tendered its application/acknowledgment of application for registration of the 2010 designs, certificates of registration for the 2010 designs and a sample of its pump sprayers, which was manufactured using the 2010 designs. Hozelock submitted inter alia that WACCOL's shipping documents do not contain or portray any designs that may be compared with the 2010 designs to establish similarities that may be construed as evidence of prior publication.

Analysis. In answering the key question of whether—for the purposes of establishing absence of newness—WACCOL had discharged the relevant burden, the court considered that WACCOL needed to produce evidence that the design was published prior to application to register it or contained only minor or inessential differences with an earlier design. In the court's view, such circumstances may be established through a comparison between the registered design(s) and the designs alleged to be the subject of prior publication (or existing prior to the application for the registered design). The court compared the date on which Hozelock made its application to register the 2010 designs with the dates on the shipping documents tendered by WACCOL. The court also compared Hozelock's pump sprayers and WACCOL's pump sprayers. The court found that WACCOL's shipping documents predated Hozelock's application for registration. The court also found that the pump sprayers were similar, that any differences were minor or non-essential and that the two pump sprayers were made from the same design. For these reasons, the court held that the 2010 designs were not new.

Practical and broader significance. Currently, Nigeria does not operate an examination system for registered designs (and even patents). This means that designs are only examined *ex post* in the courts if there is a challenge to a registered design. While such mechanisms provide an avenue for IPRs to be conferred on deserving innovations, they are also inadequate. The decision in the case underscores the need for substantive IP examination systems to balance the monopoly conferred by IPRs.

IV. Other IPRs

(a) Legislative reforms

South Africa

South Africa had now taken legislative steps to protect its Geographical Indicators (GIs) such as KAROO lamb. There has since been a recent change in legislation where the Department of Agriculture, Forestry and Fisheries published GI Regulations in the Government Gazette. The Regulations were published in terms of Agricultural Products Standards Act 119 of 1990 and relate to the protection of GIs used on agricultural products intended for sale in South Africa.

The Regulations establish a register and a registration process. Hence, it is now possible to apply to register local and/or foreign geographical indicators as GIs in South Africa. The Regulations further establish requirements for registration and has an opposition procedure. There are currently no GIs on the register. However, it is early days, and it is anticipated that there will be an interest in the registration of GIs in due course.

V. Current developments

(a) Accessions to international and regional IP treaties

- The African Regional Intellectual Property Organization (ARIPO) welcomed the Republic of Mauritius as its 20th member state. Mauritius deposited its instrument of accession to the Lusaka Agreement which establishes ARIPO on 25 September 2020. Mauritius has however not acceded the relevant protocols related to patent, trade mark or design. It is not possible to designate Mauritius via an ARIPO application.
- Mozambique acceded to the ARIPO Banjul Protocol on Marks on 15 May 2020 and it is possible to designate Mozambique since 15 August 2020. The Intellectual Property Code in Mozambique, under Article 142, makes provision for the implementation of regional treaties. There is therefore no doubt as to the enforceability of ARIPO trade marks designating Mozambique. There are currently 11 parties to the Banjul Protocol.
- The Arusha Protocol on the Protection of New Varieties of Plants welcomed its second ratification on 29 September 2020 from São Tomé. São Tomé is the second ARIPO member to ratify the treaty after Rwanda. The Arusha Protocol aims at providing a harmonized system which will grant and protect breeders' rights. The Arusha Protocol will come into force 12 months after the deposit of instruments of ratification by four-member states.

(b) International cooperation, national IP institutions in Africa

- In February 2020, the European Union Intellectual Property Office (EUIPO) launched Intellectual Property Rights and Innovation in Africa programme (AfrIPI) an international cooperation project funded and directed by the European Union and co-funded and implemented by the EUIPO. Expected to run over 4 years, AfrIPI will see the launch of numerous projects, all focusing on IPR creation, protection, utilization, administration and enforcement in Africa. The project sees the collaboration, among others, of African Regional Intellectual Property Organization (ARIPO), Organisation Africaine de la Propriété Intellectuelle (OAPI), and the African Union Commission. Amongst the main objectives of AfrIPI are the promotion of international IP agreements; the strengthening of national and regional IP institutions, networks, and tools; increasing awareness of IPRs (including geographical indications) among small and medium enterprises and implementing the work plan activities linked to the African Union (AU) Continental Strategy for Geographical Indications.
- The first results from the AfrIPI project can already be seen. Following the introduction of the AfrIPI project, the Ugandan Registration Services Bureau (URSB) joined the TMclass and DesignClass systems on 3 August 2020. This means that the URSB now accepts the list of terms from the harmonized database of goods and services (HDB) in TMclass as well as the list of terms from the harmonized database of product indications (HDBPI) in DesignClass. Uganda is the first African country to take this initiative. There are now 81 national and regional IP Offices, including ARIPO, OAPI, World Intellectual Property Organization (WIPO) and EUIPO participating in TMclass and 37 IP offices in DesignClass. The URSB also started receiving and processing international applications under the Patent Cooperation Treaty filed in electronic form (ePCT-Filing) as from 15 April 2020.
- As of 1 March 2020, the Trade Mark Office in Zanzibar, the Business and Property Registration

Agency (BPRA) started publishing trade marks online on a monthly basis. Previously, trade mark publications in the *Official Government Gazette* were irregular and infrequent, leading to uncertainty and delay around the registration process. The BPRA now publishes its own journal which is available online.

- In Somalia, after resuming operations at the end of 2019, the Somalia Trade Mark Office has now started to clarify the process of trade mark registration. The examination and publication of trade mark registrations are now compulsory in Somalia. Prior to filing an application, a search request is required to ensure that the suggested mark has not been registered by third parties. Should the trade mark be available, the applicant submits his application which is then examined on absolute grounds by the Somali Trade Mark Office. If accepted, the application is published in the Official Gazette with an opposition period of 35 days. Should there be no opposition, the Registrar enters the trade mark in the register and issues a certificate of registration. The increasing number of necessary processes being put in place by the Trade Mark Office can help strengthen the enforceability of trade marks registered in Somalia.

(c) Geographical indications

- '*Cabrito de Tete*', the first geographical indication in ARIPO by Mozambique was registered on 23 November 2020. '*Cabrito de Tete*' is a local goat breed from the Tete province in Mozambique. It is also the first Mozambican geographical indication.