



KISCH<sup>IP</sup>

---

# IP: Trade Marks and Copyright in a Digital World

Vicky Stilwell

PART 2

3 April 2017

KISCH 

---

## Introduction

- Rise of the Internet and social media has increased the incidences of trade mark and copyright infringement.
- This has given rise to many questions and uncertainty around the extent of the rights of trade mark and copyright owners.

---

# What is a Trade Mark?

- “Mark”: any sign that is capable of being represented graphically. Includes:
  - Name
  - Word
  - Logo
  - Numbers
  - Signature
  - Pattern or ornamentation
  - Shape
  - Any combination of the above
- “Trade Mark”: a mark, used in the course of trade in relation to goods or services for the purposes of distinguishing those goods or services from the same or similar goods or services offered by another party
- Registration not mandatory but advisable

---

## Why Register a Trade Mark?

- Prevent other traders from using the same or similar mark in the same sector
- A trade mark registration automatically covers the whole of South Africa
- Ensure that the public does not confuse your goods with those of your competitors
- Cost-effective way of protecting your name and reputation

---

# Inherent Registrability

Requirements for registration:

- Must be **capable of distinguishing**

not directly descriptive, generic or reasonably required for use by other traders in the industry.

- Must be **capable of being represented graphically**

word, logo, name, signature, shape, pattern, ornamentation, container for goods, slogan

---

# Inherent Registrability

## TRADE MARK

- Identifies a plant from a particular source
- Brand name
- **Examples:**
  - PEPPADEW
  - CLEMENGOLD



VS

## VARIETAL NAME

- Identifies a particular sort of plant
- Generic name
- Common name
- **Examples:**
  - Sweet Piquant Pepper
  - NADORCOTT

KISCH 

---

# Classification

- Trade marks are classified into 45 different classes
- No multi-class applications in South Africa
- Examples:
  - Class 1: Chemicals used in industry, science and photography, as well as in agriculture, horticulture and forestry; manures; chemical substances for preserving foodstuffs
  - Class 5: Pharmaceutical, medical and veterinary preparations; dietetic food and substances adapted for medical and veterinary use; disinfectants; preparations for destroying vermin; fungicides, herbicides
  - Class 31: Grains and agricultural, horticultural and forestry products; fresh fruit and vegetables; live animals; seeds; natural plants and flowers; food for animals
  - Class 42: Scientific and technological services and research and design relating thereto; industrial analysis and research services; laboratory and biological analysis
  - Class 44: Medical and veterinary services; hygienic and beauty care for human beings and animals; agriculture, horticulture and forestry services.



---

# Enforcement of Trade Mark Rights

- Trade Marks Act:
  - Infringement:
    - unauthorized use, in the course of trade, of an identical or confusingly similar trade mark in relation to the same or similar goods or services where such use is likely to give rise to deception or confusion in the minds of the public.
    - unauthorized use, in the course of trade in relation to any goods or services, of a trade mark that is identical or similar to a registered trade mark, if such trade mark is well-known in the republic and the use of the mark would be likely to take unfair advantage of or be detrimental to the distinctive character or repute of the registered mark notwithstanding the absence of deception or confusion.
  - Well-known trade marks:
    - The proprietor of a well-known trade mark (in terms of the Paris Convention) is entitled to restrain the use, in South Africa, of a trade mark which constitutes a **reproduction, imitation or translation** of the well-known trade mark in relation to **goods or services** which are **identical or similar to** the goods or services for which the trade mark is well-known and where such use is likely to cause deception or confusion in the minds of the public.

---

## Enforcement of Trade Mark Rights

- Common law:
  - Passing-Off: consists of a representation by one person that his business (or merchandise) is that of another or is associated with that of another.
  - Question: is there a reasonable likelihood that members of the public will be confused into believing that the business of the one is, or is connected with, that of another.
  - To be successful in an action for passing-off it is essential to prove the existence of goodwill / reputation.

---

# Trade Mark Infringement on the Internet

- Advertising keywords (adwords):
  - Use of a registered trade mark as a key word in an internet search by a competitor of the registered proprietor
  - Question: whether the adoption of a registered trade mark as a key word constitutes “use” of the registered trade mark, even if the registered trade mark does not appear in the advertisement itself
  - European courts have held that this does constitute infringement and South African courts have adopted this approach
- Website use and use in domain names
  - Practical difficulty: trade marks are territorial but trade marks used on websites and in domain names can be accessed anywhere in the world.
  - To prove infringement you have to show that the activity on the website was targeted at consumers in the country in which the trade mark is registered.

---

## Protection outside of South Africa

- Trade marks rights are territorial rights (only SA)
- Separate protection must be obtained in each territory
- Requirements and costs vary from country to country
- Advisable to seek qualified assistance

---

## Other Facts About Trade Marks

- Trade mark registrations in South Africa are valid for 10 years but may be renewed indefinitely
- Vulnerable to cancellation for non-use if not used for 5 years
- Trade marks can be assigned and licensed like other forms of property
- Use by a licensee can be deemed to be use by the registered proprietor (registered users)
- Registered trade marks and pending trade mark applications: assignments must be recorded at the Trade Marks Office – otherwise not enforceable against third parties
- Marking: ™ and ®

---

# What is Copyright

- Provides protection for the material expression of ideas.
- The exclusive right to perform certain specified acts to the exclusion of all others in respect of a particular work.
- Copyright automatically exists in a work which is eligible for copyright protection (not dependant on registration).

---

## What is Copyright(Continued)

- Various **types of works**:
  - literary
  - artistic
  - musical
  - dramatic
  - computer programs
  - broadcasts
- For copyright to subsist:
  - the work must be **original** (a product of the author's own skill and labor)
  - reduced to **material form**
  - author must be a **qualified person**

---

# Ownership of Copyright

- **General rule:**

author = creator of the work = first owner

- **Exceptions:**

- For literary/artistic works - employee of newspaper, magazine etc, creates work for purpose of publication in that newspaper, magazine etc - Owner = newspaper, magazine
- Commissioned photographs, portraits, gravures, films, sound recordings – where payment – commissioner = owner
- Course and scope of employment – employer = owner



---

## Other Facts About Copyright

- Can be assigned or licensed
- Assignment and exclusive licenses must be in writing
- Other forms of licenses may be verbal, tacit or even inferred from conduct
- Copyright generally endures for 50 years from the end of the year in which the author of the work dies
- Territorial but Berne Convention countries give reciprocal protection for members
- Marking: use the © symbol

---

# Infringement of Copyright

- **Direct Infringement:**

- Making an unauthorised reproduction or adaptation of a work, or a substantial part of a work

- **Indirect Infringement:**

- dealing in infringing copies of a work
- includes selling, hiring, offering for sale or hire, importing or distributing
- Infringer must have known or had reasonable grounds for suspecting that the articles were infringing copies

---

# Copyright Infringement on the Internet

- Common misconception: If something is published on the Internet or social media (e.g. Facebook, Twitter, Instagram), people are free to copy / use it
- Works of copyright that are published on the Internet or posted on social media are still subject to copyright laws and may only be used with the consent of the owner, **except** – read t’s and c’s of social media platforms.
  - **Example: Twitter:** “By submitting, posting or displaying Content on or through the Services, you grant us a worldwide, non-exclusive, royalty-free license (with the right to sublicense) to use, copy, reproduce, process, adapt, modify, publish, transmit, display and distribute such Content in any and all media or distribution methods (now known or later developed). This license authorizes us to make your Content available to the rest of the world and to let others do the same. You agree that this license includes the right for Twitter to provide, promote, and improve the Services and to make Content submitted to or through the Services available to other companies, organizations or individuals for the syndication, broadcast, distribution, promotion or publication of such Content on other media and services, subject to our terms and conditions for such Content use. Such additional uses by Twitter, or other companies, organizations or individuals, may be made with no compensation paid to you with respect to the Content that you submit, post, transmit or otherwise make available through the Services.”

---

## Copyright Infringement on the Internet

- Most social media platforms have IP policies and simple procedures for lodging complaints. Generally they will not be involved in the merits. If you provide proof of your right (e.g. a trade mark registration certificate) they will remove the offending content.
- Another common misconception: if you acknowledge the source and credit the author, you are not liable for infringing copyright
- Always obtain permission from the copyright owner before you use content (including photographs) sourced from the internet

---

## Exemptions from Infringement

- Exemptions are all where it is in the public interest that the copyright owner should not have exclusive rights in relation to the work.
- Fair dealing: fair dealing with a literary, artistic or musical work is not infringed when it is:
  - For the purpose of research or private study by, or for the personal private use of the person using the work
  - For the purposes of criticism or review of that work or another work;
  - For purposes of reporting current events in a newspaper, magazine or similar periodical or by means of broadcasting or in a cinematograph film

Provided that the source of the work must be mentioned, as well as the name of the author of the work if it is known.

- Copyright in a literary or musical work which is lawfully available to the public is not infringed by

---

# Exemptions from Infringement

- Copyright in a literary or musical work which is lawfully available to the public is not infringed by:
  - Any quotation from the work, including any quotations from articles in newspapers or periodicals that are in the form of summaries of such works, provided that:
    - the quotation shall be compatible with fair practice;
    - The extent of the quotation must be justified by the purpose; and
    - The source and the name of the author (if it is known) must be mentioned.
  - Using the work by way of illustration in any publication, broadcast or sound or visual recording for teaching purposes; provided that:
    - the use shall be compatible with fair practice;
    - The extent of the quotation must be justified by the purpose; and
    - The source and the name of the author (if it is known) must be mentioned.

---

## Recent Case Law: Moneyweb v Media24

- Moneyweb sought a declaration that the publication of 7 articles by Media24 on its Fin24 website constituted infringement of Moneyweb's copyright.
- Judgment confirmed the following principles:
  - There is no copyright in the concept of a news story;
  - Copyright subsists in the particular material expressions or forms of the story (i.e. the articles themselves);
  - For copyright to subsist, the work must be original – i.e. there must have been sufficient application of the author's mind. It cannot be a mere slavish copy of the original work (e.g. taken from a press release);
  - Copyright can be infringed by the reproduction of a substantial part of a work

---

## Recent Case Law: Moneyweb v Media24

- Court also dealt briefly with Fin24’s “aggregation guidelines”, in particular “*never use more than 30% of the original source*”. Common misconception that it is acceptable to reproduce less than a certain percentage of an original work.
- Assessment is a **qualitative** rather than a **quantitative** one. Possible that copying a quantitatively small part of a work will constitute infringement.
- Section 12(8)(a): states that copyright will not subsist in *news of the day that are mere items of press information*. Exclusion doesn’t apply to all news of the day – only applies to certain works such as press releases / statements and press interviews that are intended to be used and disseminated by the media. These works are free to be used and reproduced by anyone.
- Fair dealing: Section 12(1)(c) – “*copyright shall not be infringed by any fair dealing with a literary or musical work... for the purpose of reporting current events in a newspaper, magazine or similar periodical... provided that the source shall be mentioned as well as the name of the author if it appears on the work*”.



---

## Recent Case Law: Moneyweb v Media24

- Court laid down factors that should be taken into account when determining “fairness”:
  - The nature of the medium in which the works have been published;
  - Whether the original work has already been published;
  - The time lapse between publication of the two works;
  - The amount (quality and quantity) of the original work that has been taken; and
  - The extent of the acknowledgement given to the original work.
- List of factors is not exhaustive.
- Each factor will be given a varying amount of weight depending on the circumstances.
- Use of hyperlinks in the context of digital media: court held that a hyperlink substantially complies with the requirement that “*the source shall be mentioned, as well as the name of the author if it appears on the work*”

---

# South African Legislative Developments

- In July 2015 DTI published proposed amendments to the current Copyright Act.
- Proposed amendments to section 12 creates general exceptions from copyright protection on the basis of fair use, including:
  - “fair use of a work for purposes such as ... news reporting... is not an infringement of copyright; provided that such use is not for commercial gain”
  - “fair use of copyright work shall allow for some limited and reasonable use of copyrighted work for purposes of cartoon, parody or pastiche work ... for non-commercial use without having to request permission”
- Proposed amendments also include a list of factors that must be considered in determining whether the use of a copyrighted work is “fair use”.
- In principle, many of the proposed amendments were welcomed, but there have been substantial objections to certain proposed amendments. There have been no further developments in the implementation or revision of the amendments since 2015.

---

## European Developments

- In September 2016 the European Commission published proposals on copyright in the digital single market.
- EC recognizes the challenge faced by press publishers in licensing the online use of their publications and recouping their investments.
- Needs to be properly governed to ensure the sustainability of the publishing industry.
- Would apply to journalistic publications, published by a service provider, periodically or regularly updated in any media for the purpose of informing or entertaining.
- Effect of the proposed directive is that where information society service providers (e.g. Google) store and provide access to the public to copyright protected works uploaded by their users, thereby performing an act of communication to the public, they are obliged to conclude licensing arrangements with the copyright owners (unless the communication falls within a specified exception)
- Possible practical implications: Google News, which publishes snippets from other news publishers, would be obliged to procure, and pay for, a licence to publish such news items.



**Thank You!**

**KISCH**  IP