DEAR CLIENTS

Welcome to this month’s issue of IP Monthly packed with interesting articles. We look forward to commemorating several significant dates in August as per the United Nations calendar. This newsletter includes several news features and developments as well as exciting decisions from around the world on IP-related matters.

Happy August!

KEY DATES IN AUGUST

• 5 August: Rio Olympics Official opening day ceremony
• 9 August: International Day of the World’s Indigenous Peoples
• 12 August: International Youth Day
• 13 August: International Lefthanders’ Day
• 19 August: World Humanitarian Day

INTERESTING FACTS ABOUT AUGUST

• 23 August: International Day for the Remembrance of the Slave Trade and Its Abolition [UNESCO]
• 29 August: International Day against Nuclear Tests
• 30 August: International Day of the Victims of Enforced Disappearances

HISTORICAL DATES

• August 1, 1838: Nearly 300 years after it had been introduced, slavery was abolished in Jamaica.
• August 5, 1962: Film star Marilyn Monroe died at age 36 from an overdose of sleeping pills.
• August 5, 1962: Apartheid opponent Nelson Mandela was arrested by security police in South Africa and lost his freedom for nearly 27 years.
• August 12, 1981: IBM announces the launch of its first personal computer.
• August 13, 1961: The Berlin Wall which was made of more than 30 miles of barbed wire came into existence after the East German government closed the border between east and west sectors of Berlin to discourage emigration of East Berlin citizens to the West.
• August 22, 1978: President Jomo Kenyatta, Kenya’s founding president died in the coastal city of Mombasa.
AFRICA BRAND INDEX TOP 10 AFRICAN SOCIAL MEDIA BRANDS

1. SuperSport
2. Expresso
3. Pick n Pay
4. Vodacom
5. KFC South Africa
6. Woolworths
7. Airtel Kenya
8. Kenya Commercial Bank
9. DStv South Africa
10. DHL Africa

DEVELOPMENTS IN THE INTELLECTUAL PROPERTY ARENA

A summary of recent developments within the intellectual property (IP) field follows below:

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<td>Mixed reactions on Proposed ICT Practitioners Bill</td>
<td>The Proposed ICT Practitioners Bill has continued to attract mixed reactions from different stakeholders. The Kenya Private Sector Alliance has denounced the bill terming the proposed new law as one that seeks to hurt the ICT industry.</td>
<td>The ICT Practitioners bill is a new legislation that attempts to regulate what has been a very liberal industry. It is expected that the Bill will be very vigorously opposed by stakeholders in the ICT industry as it is said to have been drafted and tabled without inviting any discussions or deliberations from relevant industry players.</td>
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The Bill is a private members bill which proposes an Act of Parliament to provide for the training, registration, licensing, practice and standards of ICT practitioners and for connected purposes.

Representatives from the ICT Ministry, which had on the onset similarly denounced the bill, are beginning to ease their stance towards the Bill. Information Ministry Assistant Secretary General Joel Itube said that the Bill attempts to bring sanity to the industry.

The Bill was tabled before parliament for first reading and is currently awaiting second reading. ICT players have conducted several discussions on the most pertinent issues around the bill which are set to be presented to the Clerk of the National Assembly and thereafter passed to the Energy, Communications and Information Committee.

Some salient features of the bill are that it proposes the establishment of the ICT Practitioners Institute which will serve as the professional body for all ICT practitioners. Some of the functions of the Institute shall include registration and licencing of ICT practitioners, administration of examinations for qualification as ICT practitioners, determination of fees to be charged by ICT practitioners for rendering their services, supervision of the conduct of ICT practitioners which may include taking appropriate disciplinary measures.

The Bill further sets out requirements for registration and licencing of the ICT practitioners and enforcement provisions.

The Bill places mandatory restrictions against practicing as an ICT firm unless the firm has at least one partner or principal shareholder who is registered as an ICT practitioner with a valid licence.
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| Court of Appeal upholds copyright infringement decision of Kenya Maps | The Court of Appeal in *Mount Kenya Sundries Ltd v Macmillan Kenya (Publishers) Ltd* [2016] eKLR upheld the High Court Decision by Vishram J. granting an injunction against the appellants restricting them from selling by way of trade or exposing or offering for sale the map christened Kenya Pictorial Tourist Route Map. The genesis of the case was that the respondent, Macmillan Kenya (Publishers) Ltd (now known as Moran Publishers) had produced maps of Kenya, Nairobi and Mombasa Island in 1985, which were amended in 1989 and published in 1990 referred to as the ‘Kenya Travellers Map’.

The respondent contended that its maps were thereafter copied by tracing by the appellant who went on to publish and sell the Maps as its own. The Respondent thereafter filed a suit in August 1995.

The first limb of the appellant’s argument were that the respondent lacked locus standi since at the time of filing the suit, the intellectual property in the maps belonged to its parent company, Macmillan Publishers Ltd of the United Kingdom and had not been assigned to the respondent. The appellant therefore argued that the respondent could not sustain the suit as it had no proprietary interest in the maps. The court of first instance had held in its judgment in 2008 that the respondent was the equitable owner of the subject maps since its parent company had made the maps for the respondent. The Court of Appeal on this issue upheld that the copyright in the maps was entitled to the respondent in equity and that the respondent was entitled to relief because the assignment of the proprietary interest had been concluded before the High Court suit had been concluded.

Further, the Court of Appeal found that through its evidence, the appellant had admitted that the Respondent had been in the map-making business long before the appellant joined the business. The appellant also admitted that it had been selling the respondent’s maps which it stopped selling after it produced its own. Whereas the respondent had first produced its maps in 1985 and later revised them in 1989 and published in 1990, the appellant’s maps had been produced for the first time in 1990 and based on the witness testimony which was before the trial judge, the Court of Appeal upheld the finding that it was the respondent that had copyright in the maps.

The respondent relied on the testimony of an expert in cartography who testified and concluded that the appellant copied the respondent’s maps. The appellate court agreed with the trial judge’s finding that the appellant had substantially copied the respondent’s maps. The test set out by the Court of Appeal was that it is not only the reproduction of the entire protected work that would constitute an infringement; reproduction of a substantial part of the work would still constitute an infringement of the work would still constitute an infringement. | The Court of Appeal upheld the decision that a map which had been produced using the skill, artwork and judgment of a proprietor was entitled to copyright protection. The case is important since it clarifies the standard for copyright infringement which the appellate court went into detail to explain. It is not the copying of an entire piece of work that will constitute infringement but rather a substantial imitation that is sufficient to indicate that the work is a copy.

The case also shows that equitable owners of copyrights can sustain a right of infringement. However, only proprietary owners of are entitled to relief, particularly in the form of an injunction.
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<td>Toyota Jidosha Kabushiki Kaisha v Deepak Mangal And Ors CS(OS) No.2490/2009 &amp; I.A. No.14981/2014</td>
<td>The New Delhi High Court in Toyota Jidosha Kabushiki Kaisha v Deepak Mangal &amp; Ors., CS (OS) 2490 of 2009 ordered the defendants to stop using their registered trade mark ‘PRIUS’ because their continued use of the mark was adversely affecting the plaintiff. Toyota filed a suit for permanent injunction restraining infringement of trademark, passing off, damage, and delivery up against four defendants, namely, Deepak Mangal, Sandeep Verma, M/s Prius Auto Industries, and M/s Prius Auto Accessories Pvt. Ltd. Toyota had been using the Prius mark globally since 1995. The mark had been registered by the defendants in India (Toyota had not registered the mark in the jurisdiction) who operated the business of selling auto spare parts in the name of Prius Auto Industries. Toyota alleged that the mark PRIUS, being a well-known trademark of one of the most reputed and trusted names in the automobile sector, was entitled to protection across classes of goods as any misuse of the same is not only likely to cause confusion and deception, but also be contrary to the interest of public and trade and to their belief in the reputation of their chosen brand. It accused the defendants of duping customers into thinking that the products they sold using the defendant’s PRIUS mark were from Toyota. Toyota argued that such unauthorized use by the defendants of the plaintiff’s well-known trademarks in respect of automobile parts and accessories would also debase the reputation of the plaintiff’s trademarks. The court rejected the defendant’s argument that the plaintiff’s car was launched years after the defendant’s registration of the mark and as such that the defendants were entitled to the use of their mark. The court ruled in favour of the plaintiff on the basis of its first use of the mark in 1995. It issued a permanent injunction restricting the defendants from using their registered PRIUS mark in any manner whatsoever on goods not originating from the plaintiffs and an order directing the Defendants to deliver up to the plaintiff for destruction/erasure of all the goods and other material of the defendants bearing the impugned marks PRIUS.</td>
<td>The Court was cognisant of Toyota’s registration of the PRIUS mark in other countries and the fact that Toyota sold its PRIUS vehicle in many countries and regions. The court also considered that Toyota had filed over 1000 patent applications during the development of the latest version of the PRIUS car. The Plaintiff’s global target for the year 2010 to sell over 400,000 units and its extensive advertisement of the car were all taken into account in determining that PRIUS as a well-known mark associated with the Plaintiff. More importantly, the court held that the immense goodwill and reputation of the Toyota PRIUS, as it is enjoyed in several countries across the world, could have validly spilled over into India in 2001, irrespective of the fact that its physical use in India commenced only in the year 2010. This judgment shows that in certain instances, unregistered well-known marks may have priority rights over identical marks existing in the Register.</td>
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## Case Facts Commentary

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<td>Lodestar Anstalt v Campari America LLC [2016] FCAFC 92</td>
<td><strong>Wild Geese Whiskey wins monumental trade mark case on non-use of trade mark</strong>&lt;br&gt;The Wild Geese Irish Whiskey won a landmark case at the Australian Federal Court that will allow them to enter the Australian market.&lt;br&gt;The background of the case is that Lodestar Anstalt (Lodestar) had successfully registered the word mark, WILD GEESE in relation to its Wild Geese Whiskey.&lt;br&gt;The Respondent (formerly known as Austin Nichols) filed an application seeking to have Lodestar’s WILD GEESE mark removed from the Register based on Lodestar’s non-use of the mark. The Respondent’s succeeded in the removal of the WILD GEESE mark and registration of its own WILD GEESE and WILD GEESE WINES marks.&lt;br&gt;Lodestar filed an application for the cancellation of the Respondent’s marks for non-use for the period between August 2007 and August 2010.&lt;br&gt;The delegate of the Registrar of trademarks granted Lodestar’s application for removal of the two trade marks for non-use under the Trade Marks Act 1995.&lt;br&gt;On appeal, the primary judge held that there had been use of the mark based on the standard in the earlier decision in <em>Yau’s Entertainment Pty Ltd v Asia Television Ltd</em> (2002) FCAFC 78 (<em>Yau</em>) and overturned the delegate’s decision. The test derived from <em>Yau</em> was that a mere theoretical possibility of contractual control was sufficient to constitute authorised use.&lt;br&gt;Lodestar filed the present appeal in the Full Court of the Federal Court. The full Court of the Federal Court overturned the primary judge’s decision and held that there must be actual control and a connection in the course of trade between goods and the person who applies the mark to the goods.&lt;br&gt;The Full Court rejected the proposition that the mere existence of a licence agreement between the proprietor of a trade mark and a licensee would be enough to presume use of the mark.&lt;br&gt;Commenting on the decision, Ándre Levy Co-Founder and Chairman, The Wild Geese Irish Whiskey stated: “This is an important day for us...”</td>
<td>The case is important in delineating the parameters that constitute the use of a trade mark in a contractual agreement. The case most importantly overruled the test that a mere theoretical possibility of contractual control was sufficient to constitute authorised use.&lt;br&gt;The test established in the case is that the proprietor of the mark must have some connection with the end user of the product or service relating to the trade mark.&lt;br&gt;The mere fact that the registered owner granted a licence or revocable authority to use the trade mark would not be sufficient without more established control.&lt;br&gt;The connection between the registered proprietor of a trade mark and the end user is to be judged based on the control exercised by the licensor in the licence agreement.&lt;br&gt;Registered proprietor of trademarks who have entered into licence agreements granting others the right to use their trade marks should be minded of this standard lest their trade marks are removed from the register for non-use.</td>
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and the Irish Whiskey industry as a whole. The Wild Geese Irish Whiskey has been involved in a 14-year legal battle with Pernod Ricard involving over 50 separate actions around the world, all of which we have successfully defended. This includes the USA where The Wild Geese is sold as The Wild Geese Soldiers & Heroes. These actions sought to limit the market access of the Wild Geese Irish Whiskey and other smaller independent brands of which we are a representative. Despite the supposed renaissance of Irish Whiskey, the reality is that the industry is still dominated by large organisations such as Pernod Ricard.”

The Irish Olympic Committee (IOC) in attempt to protect the heavy invested brands relating to the Rio Olympics has taken a hard stance by restricting the social media use of the brands. The IOC has prohibited the press from making and/or releasing short video formats such as vines and animated GIFs of any of the Olympic events.

The United States Olympic Committee (USOC) has taken IOC’s rules and emboldened them further by restricting companies that sponsor athletes but that do not have a relationship with the USOC or the IOC from posting videos or content on the games or the trials on their corporate social media accounts.

The USOC has written letters to some of the companies one of which restricts commercial entities from posting any content relating to the games on their corporate social media accounts. The restriction further extends to the use of hashtags such as #TEAMUSA and #RIO2016 which the USOC claims to have trade mark rights over.

In the US it has been possible to trademark hashtags since 2013 when the United States Patent and Trade mark Office recognized in the Trademark Manual of Examining Procedure (TMEP) §120 that a term containing the hash symbol or the term “hashtag” may be registered as a trade mark, but “only if it functions as an identifier of the source of the applicant’s goods or services”. This rule has been met with different reactions with the US federal court decision in Eksouzian v. Albanese, No. CV 13-00728-PSG-MAN (C.D. Cal. Aug. 7, 2015) holding that hashtags are merely descriptive features and cannot therefore possess any enforceable value as trade marks.

Some other words and phrases that cannot be used by non-sponsor companies include: Olympic, Olympian, Team USA, Future Olympian, Gateway to gold, Go for the gold, Let the games begin, Paralympic, Pan Am Games, Olympiad, Paralympiad, and Pan-American.

The ban on commercial social-media use by non-sponsor companies against the use of Olympic material for promotion of their business is an attempt to secure the investments of the sponsors to the games.

It is a move aimed at protecting the commercial interests of the Olympics and the sponsors to the games.

It will however be interesting to see the impact of the rules by both the IOC and the USPTO on defaulting companies in the backdrop of the decision in Eksouzian v. Albanese which held that hashtags are not capable of being enforced as trade marks on account of the lack of distinctive character.

It will also be interesting to see the parameters within which the rules will apply. The IOC ban on video use is on all media companies. The ban does not extend to individuals or non-official
### Case

**United States Olympic Committee accused of legal bullying in restricting the use of Rio Hashtags**

**Comments**

sponsors while the USOC ban is exclusively on non-sponsors.

The overlaps between the two bans will be interesting to see playing out and we look forward to seeing the enforceability of the Olympic related IP rights.

**Sources:**

- The Guardian
- Ars Technica UK
- International Trademark Association

### SINGAPORE

**Intellectual Property Financing Scheme enables the use of Intellectual Property Rights as collateral for loans**

The Intellectual property Office of Singapore (IPOS) has through the Intellectual Property Financing Scheme now enabled owners of intellectual property rights to monetize their intangible assets for business growth and expansion.

The scheme is currently supported by four banks; AFC Merchant Bank, DBS Bank Ltd, Oversea-Chinese Banking Corporation (OCBC) Ltd and United Overseas Bank (UOB) Ltd. It disbursed its first loan to Masai Group International on the security of the company’s patent rights.

The IPOS has a proposed expansion strategy for the Scheme that is expected to run for the next two years. The first phase of the scheme was to expand the scheme from just patent rights to other IP rights such as trademarks and copyrights which may form the loan collateral.

The scheme is inspired by the continued rise in the number of IP filings each year.

The product is available to Singapore incorporated companies with registered patents and trade marks or copyrights related rights capable of being commercially exploited.

IPOS has appointed several IP valuers under the scheme responsible for determining the value and portfolio of the IP Rights.

**Sources:**

- Intellectual Property Office of Singapore website

**High Court allows for service of documents through social media David Ian Andrew v Planet Arkadia**

The High Court of Singapore gave leave to the plaintiff, David Ian Andrew Storey to serve a writ on Planet Arkadia outside the jurisdiction it was issued and through social media.

The Plaintiff alleges that Planet Arkadia and its director have breached contract by using his literary and artistic works both "promotionally and in-game" without permission.

This is a fascinating legal development and it would be interesting to see whether other jurisdictions will follow suit and adopt service of court papers through social media.
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<td>The traditional means of service have been physical service, posting on doors of the physical business or residential address of the litigant, using registered post and as a last resort, substituted advertisement through newspapers. The Singapore court has previously allowed for service through social media.</td>
<td>The purpose of service is to make the other party aware of the existence of an adverse claim in court against him. It is a classic case of the end justifying the means if the party in question cannot be traced in person but has obvious social media presence. If this model is adopted, the workings of the use of electronic platforms will require some ironing out by the court particularly on proof of service.</td>
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**UNITED KINGDOM**

| UK Intellectual Property Office publishes notice on IP and Brexit. | The UK Intellectual Property office (UK IPO) has published a newsletter that seeks to clear the air on the effects of Brexit on intellectual property rights in the UK. The publication comes at a time where there has been a lot of speculation on the effect of EU registered trademarks in the UK and vice versa. The publication covers five heads; trademarks, patents, designs, copyright and enforcement and has its main statement which reads; “The UK is still part of the EU so your EU-derived protections continue and we are considering various post-Brexit options”. In the circular, the UK IPO clarifies that the UK remains a full member of the EU then EU Trade Marks (EUTM) and Registered Community Designs (RCD) continue to be valid in the UK. The UK government, according to the circular is however considering the best way forward in giving clarity to the long-term coverage to EU trademark rights. The same message is replicated for Designs. There are no immediate changes expected either in patent protection as the UK IPO continues to attend meetings under the Unified Patent Court while UK business continue to apply to the European Patent office for patent protection. The copyright framework as well as the UK enforcement mechanisms will similarly continue unchanged until negotiations to exit are concluded. | The negotiations on the exit of the UK from the EU are expected to shed a lot of light on the attendant right in intellectual property. The negotiations are expected to host a wide range of stakeholders including players in the Private sector and other EU Countries. Until the talks are held and concluded, it is expected that the status quo will be maintained and no drastic changes are expected in and around the IP legal framework. Read the full story [here](#). |
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We thank you for choosing to work with us. Please do not hesitate to contact us if you require any further clarification.

Happy New Month

Yours faithfully,
Coulson Harney
Per: John Syekei