

**Sunsmart Products (Pty) Ltd v Flag and Flagpole Industries (Pty) Ltd t/a National Flag
[2006] 3 All SA 206 (T)**

Division: Transvaal Provincial Division
Date: 7 November 2005
Case No: 7385/2004
Before: BR Southwood J
Sourced by: M Snyman and D Cloete
Summarised by: D Harris

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Intellectual property - Patents and design - Infringement of - Proprietary rights conferred by Patents Act [57 of 1978](#) and Designs Act [195 of 1993](#) - Requirements for proof of infringement set out.

Editor's Summary

Both parties to this case manufactured and distributed flying banners. The plaintiff claimed a final interdict and ancillary relief on the grounds of the defendant's infringement of its design registration.

In terms of the Patents Act [57 of 1978](#) ("the Act"), the plaintiff was the owner of a patent relating to a flag construction. It was also the proprietor in terms of the Designs Act [195 of 1993](#) of an aesthetic design applicable to flags.

Each of the parties called expert witnesses, and the only real disputes arose from such expert testimony.

Held - In terms of [section 45\(1\)](#) of the Act, a patentee has the right to exclude other persons from making or using its invention.

The first issue for determination was whether the defendant's admitted manufacture and marketing of flags or banners infringed the plaintiff's rights arising out of its patent and design registration. This required a comparison to be made between the defendant's product and the plaintiff's registered patent and design.

For infringement it must be established that all of the integers or part of the essential integers or features of the claim have been taken. The defendant contended that the banners manufactured and sold by it did not infringe the claims of the patent because some of the integers of plaintiff's claim were not present. In comparing the banners of the respective parties, the Court found that one of the integers of plaintiff's patent was absent in defendant's banner. As the absence of one integer is sufficient to defeat a claim of infringement, the Court found that defendant's flag did not infringe the plaintiff's patent.

This led to the remaining issues for determination, viz whether the plaintiff's patent and design were invalid for lack of novelty and lack of inventiveness. According to the defendant, the invention claimed in the patent was not new and was accordingly not patentable under [section 61\(1\)\(c\)](#) read with [section 25](#) of the Act. It also argued that the patent did not involve an inventive step and was obvious. The Court dismissed those submissions, and granted an interdict preventing the defendant from infringing plaintiff's patent.

[Section 20\(1\)](#) of the Designs Act [195 of 1993](#) a registered proprietor has for the duration of the registration, the right to exclude other persons from making, importing, or using any article included in the class in which the design is registered and embodying the registered design or a similar design. It was

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common cause that the plaintiff was the registered proprietor of the design in question and that the defendant had made, used and disposed of articles which fell within the class in respect of which the design was registered. The only issue was whether the articles made, used and disposed of by the defendant embodied the registered design or a design not substantially different from the registered design. This required a comparison between the defendant's allegedly infringing articles and the registered design. The defendant's main defence was that the plaintiff's design was invalid because it was not registrable in terms of [section 14](#) of the Designs Act in that it did not meet the requirements of novelty and originality.

There being no substantiation of the lack of originality challenge, the Court considered only the defence that the design lacked novelty. The enquiry in that regard was a two-stage one. Firstly, it must be determined whether the occurrence or disclosure alleged to have anticipated the design qualifies as an effective anticipation. Secondly, (if the occurrence or disclosure qualifies as an effective anticipation), it must be determined whether the anticipation destroys the novelty of the design. The Court accepted from the evidence adduced, that the plaintiff's design was not novel, and plaintiff's action in respect of its design was dismissed.

Notes

For Patents and Inventions see:

- LAWSA Reissue (Vol 20(1), paras 55-262)

Cases referred to in judgment

Aktiebolaget Hässle and another v Triomed (Pty) Ltd [2002] 4 All SA 138 (2003 (1) SA 155) (SCA)	211
Cointreau et Cie SA v Pagan International 1991 (4) SA 706 (A)	210
Ensign-Bickford (SA) (Pty) Ltd and others v AECI Explosives and Chemicals Ltd 1999 (1) SA 70 (SCA)	210
Gentiruco AG v Firestone SA (Pty) Ltd 1972 (1) SA 589 (A)	210
Homecraft Steel Industries (Pty) Ltd v SM Hare & Son (Pty) Ltd and another 1984 (3) SA 681 (A)	217
Johnson and Johnson (Pty) Ltd v Kimberly-Clark Corporation and Kimberly-Clark of SA (Pty) Ltd 1985 BP 126 (A)	211
Letraset Limited v Helios Limited 1972 (3) SA 245 (A)	211
Roman Roller CC and another v Speedmark Holdings (Pty) Ltd 1996 (1) SA 405 (A)	210
Stauffer Chemical Co and another v Safsan Marketing and Distribution Co 1987 (2) SA 331 (A)	211
Swisstool Manufacturing Co v Omega Plastics 1975 (4) SA 379 (W)	214
Weltevrede Nursery v Keith Kirsten's (Pty) Ltd and another [2004] 1 All SA 181 (2004 (4) SA 110) (SCA)	210

Judgment

SOUTHWOOD J

- [1] The plaintiff in these cases is Sunsmart Products (Pty) Ltd a company which manufactures and distributes flying (or tear-drop) banners. The defendant

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in these cases is Flag and Flagpole Industries (Pty) Ltd a company which manufactures and sells flying banners. Under case number 97/10535 the plaintiff claims a final interdict and ancillary relief on the grounds of the defendant's infringement of patent 97/10535. Under case number 99/3281 the plaintiff claims a final interdict and ancillary relief on the grounds of the defendant's infringement of patent 99/3281. The plaintiff instituted both actions in the Court of the Commissioner of Patents and both actions were enrolled for hearing in that Court. Under case number 7385/2004 the plaintiff claims a final interdict and ancillary relief on the grounds of the defendant's infringement of design registration A97/1155. The plaintiff instituted the action in the High Court and it was enrolled for hearing in the High Court. The parties agreed, for reasons of convenience, that the three actions be heard together. They also agreed that the actions would proceed against the company only and that the actions against Michael Clingman, the second defendant, would be withdrawn. At the pre-trial conference the parties settled the action under case number 99/3281 and the defendant agreed to an order being granted against it. All that needs to be done under case number 99/3281 is make the order agreed.

- [2] The plaintiff is the proprietor in terms of the Patents Act [57 of 1978](#) of patent 97/10535 which relates to a flag construction. This is described in the body of the specification as follows:

"According to the invention, a flag construction comprises a pole which includes, at least in the top end thereof, a flexible section, which is adapted to be bent into a substantially U-shaped section and being adapted to engage at least a portion of the upper periphery of a piece of material and to maintain it under tension at least in the area defined by the pole, the U-shaped section and a line between a point towards the tip of the flexible section and a point along the length of the pole."

Claim 1 of the patent is for all practical purposes identical to this description. The embodiment of the invention is described, with reference to a drawing, as a piece of cloth in the shape of an inverted tear-drop with a seam running along one side and over the curved upper edge of the tear-drop and a fibre glass pole tapering almost to a point at its top end, rendering it flexible. This tear-drop flag is attached to the fibre glass pole in such a way that the resilience of the fibre glass pole maintains the cloth under tension.

- [3] The plaintiff is also the proprietor in terms of the Designs Act [195 of 1993](#) of an aesthetic design ("the design"). The design, which is in the shape of an inverted tear-drop, is registered in class 20 ("Sales and advertising equipment, signs") and is to be applied to flags. According to the definitive statement -

"The novelty of the design as applied to a flag, banner or the like lies in the shape and/or configuration thereof, substantially as shown in the accompanying drawing."

Further clarification is provided by the explanatory statement which states -

"A flag or banner is shaped substantially like an inverted tear-drop 10 and is adapted to be engaged by a flexible pole 12."

The drawing is virtually identical to the drawing of the embodiment of the invention in patent 97/10535. The only difference is that the drawing

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of the embodiment indicates the seam of the flag by means of a dotted line. The drawings are reproduced as annexure "A" and annexure "B" to this judgment.

- [4] The plaintiff called two witnesses, Francois van der Watt and the plaintiff's managing director, Walter Bailey, who was also called as an expert. The defendant called Michael Clingman its managing director who also gave evidence as an expert. None of the witnesses' evidence was seriously challenged and it was not argued that any of the witnesses was unreliable. The evidence as to the defendant's manufacture and sale of the flying banner and the plaintiff's attempts to prevent this is not disputed. The only real disputes arise out of the expert testimony. These will be referred to, if necessary, in the course of this judgment.
- [5] Until 2003 the plaintiff manufactured and marketed a "flying banner" which is depicted in exhibits K and L ("the banner"). A life-sized banner was erected in court and is exhibit D. Exhibit K is a photograph of exhibit D. In late 2002 or early 2003 the plaintiff discovered that the defendant was manufacturing and marketing a banner which the plaintiff considered to be an infringement of its patent and design rights. A life-sized banner manufactured by the defendant was erected in court and is exhibit C. Exhibit J is a photograph of exhibit C. After the parties met unsuccessfully to resolve the problem, litigation ensued. In June 2003 the plaintiff launched an application in the Court of the Commissioner of Patents seeking a final, alternatively, an interim interdict, and ancillary relief on the grounds of the infringement of patent 97110535 and an application in the High Court seeking a final, alternatively, an interim interdict, and ancillary relief on the grounds of infringement of design registration A97/1155. The two applications were heard by Claassen J on 10 March 2004. Claassen J granted an order interdicting and restraining the defendant from infringing design registration A97/1155 pending the determination of the application and ordered that costs be in the cause. (It has not been explained why the order was granted pending determination of the application. The notice of motion stated that the interim interdict was sought pending the outcome of an action to be instituted.) Claassen J postponed the application for relief on the grounds of infringement of patent 97/10535 *sine die* and ordered that the costs of that application be reserved.
- [6] In February 2004 the plaintiff instituted the action under case number 97/10535 in the Court of the Commissioner of Patents and the action under case number 7385/04 in the High Court. On 13 September 2005 the plaintiff withdrew the application for relief on the grounds of infringement of patent 97/10535 and tendered the defendant's taxed costs. The defendant accepted the tender and the application was duly withdrawn.
- [7] The primary issues to be decided in these cases are -
- (1) whether the defendant's admitted manufacture and marketing of flags or banners (exemplified by exhibits C, J and L) infringes the plaintiff's rights arising out of patent 97/10535 and design registration A97/1155;
 - (2) whether the plaintiff's patent 97/10535 and design registration A97/1155 are invalid because of lack of novelty; and

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- (3) whether the plaintiff's patent 97/10535 is invalid because of a lack of inventiveness.

The first issue requires a comparison to be made between the defendant's product (exhibit C) and the plaintiff's patent and design, as registered - see *Cointreau et Cie SA v Pagan International* [1991 \(4\) SA 706 \(A\)](#) at 710H and 711G-712B: *Weltevrede Nursery v Keith Kirsten's (Pty) Ltd and another* [2004 \(4\) SA 110 \(SCA\)](#) paragraph 8 [also reported at [\[2004\] 1 All SA 181 \(SCA\)](#) - Ed]. The second requires a similar comparison to be made between the alleged anticipatory material and the plaintiff's patent and design, as registered.

The third requires a consideration of the inventiveness of the patent in the light of the prior art.

- [8] The defendant's banner or flag (exhibit C) consists of a glass fibre pole which tapers to a point at and can be bent into an inverted U at its upper end. Onto this pole, under the inverted U, is attached a piece of yellow material in the shape of an inverted teardrop. This piece of material has a sleeve which runs up one side and over the top of the inverted U. The material is attached to the pole when the pole is inserted into the sleeve. In order to be fully inserted the pole must bend to follow the sleeve around the U-shaped material. The natural tendency of the pole is to straighten and this creates tension in the material which prevents the pole from straightening. A cord is attached to the bottom of the sleeve near the base of the pole. This is used to pull the sleeve towards the base of the pole so that it cannot slide up the pole and reduce the tension in the material. Another cord runs along the other side of the material from the end of the pole at the point of the U to the bottom of the sleeve near the base of the pole. This cord assists in maintaining the tension of the whole construction including the tautness of the material. The lower end of the pole is inserted into a stand which enables the construction to rotate on its axis. The yellow material bears the marketer's message. The construction is intended to be used as an alternative, easily transportable, advertising medium.
- [9] **Patent rights**
- In terms of [section 45\(1\)](#) of the Patents Act, the patentee has, subject to the provisions of the Act, for the duration of the patent, the right to exclude other persons from making, using, exercising, disposing or offering to dispose of, or importing the invention so that he or she shall have and enjoy the whole profit and advantage accruing by reason of the invention. In terms of section 65(1) of the Patents Act a patentee may

institute proceedings for infringement of the patent and in terms of section 65(3) the patentee may claim an interdict, delivery up of any infringing products or any article or product of which the infringing product forms an inseparable part and damages. In such proceedings the plaintiff bears the onus of proving infringement of the patent - *Ensign-Bickford (SA) (Pty) Ltd and others v AECI Explosives and Chemicals Ltd* [1999 \(1\) SA 70](#) (SCA) at 75H-I. In terms of section 65(4) of the Patents Act, in any proceedings for infringement, the defendant may counterclaim for the revocation of the patent, and by way of defence, may rely on any grounds on which a patent may be revoked. In such revocation proceedings the defendant bears the onus of proving that the patent is invalid - *Gentiruco AG v Firestone SA (Pty) Ltd* [1972 \(1\) SA 589](#) (A) at 629E-F; *Roman Roller CC and another v Speedmark Holdings (Pty) Ltd* [1996 \(1\) SA 405](#) (SCA) at 412F-G. In terms

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of section 61(1)(c) of the Patents Act the defendant may show that the patent is invalid because it was not patentable under [section 25](#).

In the present case the defendant relies on the following grounds of invalidity -

- (1) Lack of novelty - the invention claimed in patent 97/10535 was not new and was accordingly not patentable under section 61(1)(c) read with [section 25](#) of the Act;
- (2) Obviousness - the invention claimed in patent 97/10535 did not involve an inventive step and was obvious, having regard to the matter which formed part of the state of the art before the priority date, and was accordingly not patentable under section 61(1)(c) read with [section 25](#) of the Patents Act.

For each defence the defendant relies upon five United States patents and a United States design patent.

[10] Infringement

The defendant admits making and vending the flags and banners exemplified by exhibit C. The issue is therefore whether this flag or banner is covered by the claims of the plaintiff's patent.

The nature of the enquiry as to infringement was described in *Letraset Limited v Helios Limited* [1972 \(3\) SA 245](#) (A) at 274G-H as follows -

"The determination of the question as to whether or not the plaintiff has proved an infringement of his patent turns upon a comparison between the article or process, or both, involved in the alleged infringement and the words of the claims in the patent. If the article or process falls within the ambit of the claims, properly construed; an infringement is proved. But the article or process will not be regarded as falling outside the scope of the claims if such differences as the comparison may disclose are not matters of any substance. In making the comparison the law looks at the essence of what is contained in the claim and will not allow what is described as the 'pith and marrow' of the protected invention to be pirated. The evaluation of what is the substance or essence of the invention is a matter for the "good sense" of the judicial tribunal seized with the enquiry."

See *Aktiebolaget Hässle and another v Triomed (Pty) Ltd* [2003 \(1\) SA 155](#) (SCA) paragraph 7 [also reported at [\[2002\] 4 All SA 138](#) (SCA) - Ed]; *Stauffer Chemical Co and another v Sasfan Marketing and Distribution Co* [1987 \(2\) SA 331](#) (A) at 3420-E; *Johnson and Johnson (Pty) Ltd v Kimberley-Clark Corporation and Kimberley-Clark of SA (Pty) Ltd* 1985 BP 126 (A) at 130G-131B.

The language of a claim must be construed purposively, so as to extract from it the essence or the essential elements of the invention - *Aktiebolaget Hässle and another v Triomed (Pty) Ltd* (*supra*) paragraph 8.

In construing the claims of the patent, expert evidence is admissible for the limited purposes set out in the *Gentiruco* case at 614D-F and 617F-618C. It is not admissible as to the meaning of the specification - *Gentiruco* case at 618E - and it is not admissible on the question of whether or not there has been an infringement - *Johnson and Johnson (Pty) Ltd v Kimberley-Clark Corporation and Kimberley-Clark of SA (Pty) Ltd* (*supra*) at 135C.

For infringement it must be established that all of the integers or all of the essential integers or features of the claim or claims have been taken -

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Stauffer Chemical Co and another v Sasfan Marketing and Distribution Co (Pty) Ltd (*supra*) at 346I-347D.

[11] It is not in dispute that the integers or features of the claims are as follows -

Claim 1

- (a) A flag construction comprising;
- (b) a pole;
 - (i) which includes, at least at the top end thereof, a flexible section;
 - (ii) which is adapted to be bent into a substantially U-shaped section; and
 - (iii) being adapted to engage at least a portion of the upper periphery of a piece of material; and
 - (iv) (being adapted) to maintain it (ie the material) under tension at least in the area defined by the pole, the U-shaped section and the line between the point towards the tip of the flexible section and a point along the length of the pole.

Claim 2

A flag construction according to claim 1

- (c) in which the top end of the pole includes a flexible section of fibre-glass or the like which tapers to a narrow diameter.

Claim 3

A flag construction according to claim 2

- (d) in which the tapered section is integral with the pole;

Claim 4

A flag construction according to claim 3

- (e) in which the material includes a seam or sleeve along one edge, into which the tapered end of the pole is slid;

Claim 5

A flag construction according to any of claims 1 to 4

- (f) including the combination of,
(i) an inverted U-shaped section;
(ii) with an inverted teardrop-shaped piece of material;

Claim 6

A flag construction according to any of claims 1 to 5

- (g) in which the pole is adapted to rotate about its own axis;

Claim 7

A flag construction substantially as described with reference to the accompanying drawing.

With regard to the construction of the claims it is common cause that none of the words used has a special or technical meaning and that there are no surrounding circumstances which would affect the meaning of the words used in the claims. The words must be construed in the context in

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which they are used in the patent specification - *Aktiebolaget Hässle case (supra)* paragraph 1.

- [12] The defendant contends that the banners manufactured and sold by it do not infringe the claims of the patent because integers (b)(iii) and (b)(iv) are not present in the banners. Integer (b)(iii) is not present because the pole of the banner is not adapted to engage at least a portion of the upper periphery of a piece of material and integer (b)(iv) is not present because the pole is not adapted to maintain the material under tension. The plaintiff contends that both integers are present. It will be remembered that the plaintiff does not contend that any special meaning must be given to the words of the claims.
- [13] Integer (b)(iii) requires that the pole be adapted to engage at least a portion of the upper periphery of a piece of material. The key words are "adapted" and "engage". The appropriate meaning of "adapt" in the *Shorter Oxford English Dictionary* is "to make suitable for" and of "adapted" is "fit for or "altered so as to fit". The appropriate meaning of "engage" in the SOED is "to fasten, attach". The construction of the defendant's flag has already been described. No part of the pole is adapted to engage the material in the sense that it has been made suitable for fastening or attaching. On the contrary, it is the material which has been adapted to engage the pole. The addition of the sleeve makes this possible. Integer (b)(iii), which is clearly an essential integer, is therefore not present in the defendant's flag. The defendant's flag therefore does not infringe the plaintiff's patent.
- [14] Regarding integer (b)(iv), the evidence shows that tension in the area referred to is not maintained by the pole alone. Bailey conceded that the tension is produced by three factors. The first is the pole itself. Because of its tendency to straighten it pulls the material which becomes taut. The second is the cord pulling the material towards the bottom of the pole. This prevents the material from slipping up the pole resulting in a loss of tension. The third is the cord running along the edge of the material from the tip of the pole to the base. This helps to keep the material taut. Despite the concessions made by Bailey, it is clear that the pole is tapered so that it will follow the bend in the material but it will still tend to straighten and this produces tension in the material. It is this feature that maintains the tension in the material in the area described in the integer. The pole is therefore adapted to maintain the material under tension in the area described. This integer is present in the defendant's banner.
- [15] The absence of one integer is sufficient to defeat a claim of infringement. It is therefore not necessary to consider the defendant's defences based on the non-registrability of the patent.

[16] **Design rights**

In terms of [section 20\(1\)](#) of the Designs Act the registered proprietor has in the Republic, subject to the provisions of the Act, for the duration of the registration, the right to exclude other persons from making, importing, using or disposing of any article included in the class in which the design is registered and embodying the registered design or a design not substantially different from the registered design, so that he shall have and enjoy the whole profit and advantage accruing by reason of the registration.

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In terms of [section 35\(1\)](#) of the Designs Act the registered proprietor of a design may institute proceedings for infringement and in terms of [section 35\(3\)](#) the registered proprietor may claim an interdict, surrender of any infringing product or any article or product of which the infringing product forms an inseparable part and damages, or, in lieu of damages, a reasonable royalty. In such proceedings the plaintiff bears the onus of proving infringement of the design - see Burrell's *South African Patent and Design Law* 3ed paragraph 9.95.3.

In terms of [section 35\(5\)](#) of the Designs Act in any proceedings for infringement the defendant may counter-claim for the revocation of the registration and, by way of defence, rely upon any ground on which the registration may be revoked. In such revocation proceedings the defendant bears the onus of proving that the design is invalid - see *Swisstool Manufacturing Co v Omega Africa Plastics* [1975 \(4\) SA 379](#) (W) at 382C-D.

In terms of [section 31\(1\)\(c\)](#) of the Act any person may apply for the revocation of the registration of a design, on the ground that the design in question is not registrable under [section 14](#).

- [17] In the present case it is not in dispute that the plaintiff is the registered proprietor of design A97/1155 and that the defendant has made, used and disposed of articles which fall within the class in respect of which the design is registered. The only issue is whether the articles made, used and disposed of by the defendant embody the registered design or a design not substantially different from the registered design. It will be recalled that this requires a comparison between the allegedly infringing articles and the registered design. It will be convenient to consider at this stage what the ambit or scope of the registered design is as this is relevant both to the question of infringement and the defence of invalidity.
- [18] There is no South African authority dealing pertinently with the scope of a design registration but clearly this must be determined with reference to the contents of the register.
- [19] The position under English law offers some assistance. In paragraph 31.6 of Laddie, Prescott and Vitoria *The Modern Law of Copyright and Designs* 2ed, the learned authors deal with the scope or ambit of a registration:

"The ambit of a design is determined primarily by considering the representation filed at the Designs Registry and the statement of novelty, if there is one, filed with it. As the Court of Appeal explain in *Sommer Allibert (UK) Ltd v Flair Plastics Ltd*:

"The purpose of the statement [of novelty] is to direct attention to the part or parts of the submitted design which are said to introduce into it the applicants' alleged novel contribution and thus to entitle them to registration. It is important because it defines the scope of the monopoly claim. While the court does not have to assume that it is correct, it precludes the proprietor, who has obtained his registration on the grounds that certain features of the design give novelty to it, from thereafter denying their novelty and asserting their immateriality, so as to extend the scope of the protected design."

If, for example, the representation filed at the Registry depicts a cup with a pattern upon it and the statement of novelty is directed to the shape of the cup, or the shape of the handle, and not the pattern, then it is only the originality of the shape which is relevant to validity. If the statement of novelty

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picks out certain features as being of particular significance then it is the novelty of those features which must be considered. If, on the other hand, the statement of novelty is expressed widely and not directed to particular features then it is the novelty of the design as a whole which must be considered. There is also a limited class of cases in which it is not mandatory to file a statement of novelty. Where a statement is not filed, once again it is the novelty of the design as a whole which has to be considered."

- [20] [Section 7\(1\)](#) of the Designs Act provides that there shall be kept at the designs office a register in which shall be entered -
- (a) the names and addresses of applicants for the registration of designs and of persons to whom registration has been granted and the classification of such designs according to subject-matter; and
 - (b) such other particulars as may be prescribed.

[Section 7\(2\)](#) of the Act provides that copies of all deeds, agreements, business and other documents, affecting a registered design or application for a registration of a design which are required to be recorded in the register, shall be supplied to the Registrar in the prescribed manner for filing in the designs office.

Regulation 8 provides for the mailers to be entered in the register. Regulation 8(4) provides that the Registrar shall maintain a record containing a representation or representations or a specimen or specimens of the design which has been registered in such form as the Registrar may deem necessary.

- [21] [Section 14](#) of the Designs Act provides that the proprietor of an aesthetic design which is new and original may, in the prescribed manner and on payment of the prescribed fee, apply for the registration of such design. In terms of [section 14\(2\)](#) a design is deemed to be new *inter alia* if it is different from or if it does not form part of the state of the art immediately before the date of application for registration thereof. In terms of [section 14\(3\)](#) the state of the art comprises all matter which has been made available to the public (whether in the Republic or elsewhere) by written description, by use or in any other way. In terms of [section 14\(5\)](#) no feature of an article insofar as it is necessitated solely by the function which the article is intended to perform shall afford the registered proprietor of an aesthetic design any rights in terms of the Act in respect of such feature, method or principle. [Section 15\(1\)](#) of the Act provides that the Registrar shall examine in the prescribed manner any application for the registration of a design and, if it complies with the requirements of the Act, register the design in the relevant part of the register.
- [22] Regulation 12 governs applications for registration of designs. Regulation 12(1) provides that an application for the registration of a design shall be made on Form DI and shall be accompanied by a number of prescribed documents, including a representation or representations of the design in the prescribed form and the prescribed definitive statement on Form D6, in duplicate.

Regulation 13 provides that an application shall state whether it is to be filed in Part A or Part F of the register, and the class in which the design is to be registered.

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Regulation 14 provides that an application shall state the article or articles to which the design is to be applied, and where the Registrar so requires, the applicant shall state also for what purpose the article(s) to which the design is to be applied will be used.

Regulation 18 provides that there shall be furnished in connection with an application for the registration of a design to be applied to an article, four identical representations or sets of representations (when more than one figure is used), which may be in the form of drawings or photographs or in the form of specimens or other records where the Registrar so directs. Regulation 19 stipulates the requirements for the drawings and photographs. Regulation 19(3) provides that drawings shall be executed without colouring in durable, black, sufficiently dense and dark, uniformly thick and well-defined lines and in strokes to permit of satisfactory reproduction and that all reference symbols appearing in or on the drawings shall be simple and clear.

[23] Regulation 15 is of particular importance with regard to the ambit and scope of the registered design. The relevant provisions read as follows:-

- "15 (1) An application shall contain, on Form D6, a definitive statement setting out the features of the design for which protection is claimed. The definitive statement shall be used to interpret the scope of the protection afforded by the design registration. In the definitive statement representations may be made to reference symbols appearing in or on the representations.
- (2) In the case of an application for the registration of an aesthetic design . . . the definitive statement may be accompanied, on Form D6, by an explanatory statement relating to the design, which explanatory statement may refer to features of the article(s) to which the design is to be applied including the function and/or the method or principle of construction of the article(s).
- (3) . . .
- (4) The explanatory statement may be used in interpreting the scope of the protection afforded by the design registration."

[24] According to the definitive statement in the Form D6 the novelty of the design "lies in the shape and/or the configuration thereof, substantially as shown in the accompanying drawing". According to the explanatory statement the "flag or banner is shaped substantially like an inverted tear-drop 10 and is adapted to be engaged by a flexible pole 12". The accompanying drawing shows an inverted tear-drop shape with a dark bold line running from below the point of the tear-drop shape, up the side of the tear-drop shape and over the inverted U to the end of the U. The line tapers from its beginning below the point of the tear-drop shape almost to a point at the end of the inverted U. When reference is had to the explanatory statement as provided by Regulation 15(4) it becomes clear that this dark bold line is the flexible pole to which the flag is to be engaged. It is not part of the design. The design is therefore an inverted tear-drop shape which is to be applied to a flag.

[25] In argument the defendant relied on two defences -

- (1) That the plaintiff's design had been registered in the wrong class; and
- (2) That the plaintiff's design registration is invalid because the design is not new and original.

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The defendant did not persist with the first defence which was not pertinently pleaded and was mentioned for the first time in the defendant's heads of argument. The defendant also did not contend that the defendant's flag or banner is substantially different from the registered design. (It will be accepted, as the parties did, that the drawing annexed to the definitive statement is a representation of the design). This issue must be decided by the eye, bearing in mind the reaction of the likely customer - see *Homecraft Steel Industries (Pty) Ltd v SM Hare & Son (Pty) Ltd and another* [1984 \(3\) SA 681](#) (A) at 684I. In my view, applying this test, the defendant's flag or banner is not substantially different from the plaintiff's registered design and unless it is found that the design registration is invalid the defendant's product infringes the plaintiff's design. The only issue to be decided therefore is whether the plaintiff's design is invalid because it was not registrable in terms of [section 14](#).

[26] The defendant contends that the registered design does not meet the requirements of novelty and originality. The defendant contends that if regard is had to the state of the art immediately before the date of application for registration the design was not new. The defendant refers to the various tear-drop shaped objects depicted in the prior art: the flag or banner in the Rehbein patent specification; the Norman shields; the kites and fan blades. The defendant contends that this commonly-used shape formed part of the state of the art before the relevant date. The parties did not debate what the state of the art is in relation to the plaintiff's design registration and it will be accepted as their expert summaries contended that it is either flags or banners or flags and banners and accessories. The defendant did not explain why the design is not original. There is no evidence that the first proprietors did not create the design - Burrell's *South African Patent and Design Law* 3ed paragraph 9.73. The question of originality requires no further consideration.

[27] The plaintiff's answer to the argument on novelty is simple. The plaintiff's design registration is not simply for a tear-drop shape. It includes the pole. In this regard the plaintiff relies on the definitive and explanatory statements which the plaintiff contends must be read together with the drawing. As already pointed out the

design does not include the pole.

- [28] To decide the question of a lack of novelty the enquiry proceeds in two stages. First, it must be determined whether the occurrence or disclosure (which is alleged to anticipate the design) qualifies as an effective anticipation. Second, (if the occurrence or disclosure qualifies as an effective anticipation), it must be determined whether the anticipation destroys the novelty of the design. In order to carry out the second enquiry it is necessary to establish the ambit or scope of the design registration and the alleged anticipation and to compare the two. If the comparison reveals that the alleged anticipation and registered design are substantially identical there is no novelty in the design as registered. If there is a difference which is more than practically immaterial, there is novelty. This issue is judged by the eye and the general impression is decisive. The question is whether the two appearances, each considered as a whole, are substantially different or not - see Burrell's *South African Patent and Design Law* 3ed paragraph 9.72.6-9.72.8.
- [29] At least one of the items forming part of the state of the art at the time of the application for the registration of this design was a tear-drop shape

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applied to a flag - see US patent number 5,167,199 (Rehbein) (exhibit H at 34-35). This "sail flag" is not substantially different from the plaintiff's design and therefore destroys its novelty. The defendant has accordingly established a defence to the plaintiff's claims based on infringement of its design registration.

[30] The following orders are made:

(1) Action in the Court of the Commissioner of Patents under case number 97/10535

The action is dismissed with costs which costs shall include the costs consequent upon the employment of two counsel.

(2) Action in the court of the Commissioner of Patents under case number 99/3281

- (a) An interdict is granted restraining the first defendant from infringing patent 99/3281;
- (b) An order is granted for an enquiry into the damages suffered by the plaintiff as a result of the infringement of patent 99/3281;
- (c) The first defendant is ordered to pay the costs of the action on an unopposed basis.

(3) Action in the High Court under case number 7385/2004

The plaintiff's action is dismissed with costs, such costs to include the costs consequent upon the employment of two counsel.

For the plaintiff:

C Puckrin SC instructed by *Burrells*, Johannesburg

For the defendant:

JW Louw SC and *CJ van der Westhuizen* instructed by *Lee Fisher & Co*