Anti-Counterfeiting - Southern Africa
South Africa
Legislative Framework

• Common Law Country (similar to the United Kingdom)
• Member of the Paris Union and TRIPS
• Counterfeit Goods Act, 37 of 1997
• Trade Marks Act No. 194 of 1993
• Copyright Act No. 98 of 1978
Effective Measures

• **Border control:**
  - Customs: Section 15 of the Counterfeit Goods Act
  - Border Policing

• **Market Place enforcement**
  - SAPS & DTI: Conducting search and seizure operations
Map of South Africa

- Major civic centres
- Ports of Entry
What can be enforced?

- “Protected goods”
  - Any goods in respect of which an IP right owner can in principle enforce his rights

- “Intellectual Property Rights”
  - Registered Trade Marks (Trade Marks Act)
  - Well-known trade marks
  - Copyright (Copyright Act)
  - Prohibited marks (Merchandise Marks Act)

- Excludes common law rights, patent and design rights.
Definition

- “Counterfeiting:
  - Protected goods are imitated to such a degree that those goods are substantially identical copies of the protected goods - Copyright piracy
  - Colourable imitation of intellectual property right so that the other goods are calculated to be confused with or be taken as being the protected goods - Trade Mark counterfeiting.
  - Intellectual property right must be infringed
Who can file a complaint

• Any person who has interest in protected goods

• Who has an interest?
  - “Owner” or “Licensee”
  - “Importer”; “Exporter” or Distributor; or
  - Duly authorised agent or Representative; or
  - Attorney of all the above
Complaint

- Filed by “complainant”
  - by way of allegations in an affidavit
  - legal representative can depose to affidavit

- Allegations in affidavit
  - Complainant’s title or interest
  - Subsistence of IP right
  - Infringement of IP right
  - Counterfeit nature of goods (expert analysis)
  - Address of suspect
  - Request to obtain warrant & execute
Dealing in Counterfeit Goods: Prohibited Acts

- Possession/control
- Sold, hired out, bartered, exchanged or offered
- Exhibited in public for purposes of trade
- Disposed in course of trade
- Distributed for purposes of trade or whereby brand holder suffers prejudiced
Prohibited Acts

• Manufactured, produced or made (Except)
Prohibited Acts

• Imported or exported
Dealing in counterfeit goods is an offence

It is necessary to prove that the perpetrator:

– knew or had reason to suspect that the goods are counterfeit;
  or
– failed to take reasonable steps to avoid act/conduct
Post Raid

SEARCH WARRANT EXECUTED

- Inventory prepared
- Seizure notice issued

Goods moved to counterfeit goods depot

Complainant informed of right to lodge a criminal charge against the perpetrator within 3 days

Within 10 days of issuance of seizure notice, complainant must inform perpetrator of its intention to institute civil proceedings

Within 10 day of written notice, those civil proceedings must be instituted

Inspector informs suspect complainant of seizure by issuing a Seizure Notice

Perpetrator informed of details of the counterfeit goods depot at which the seized goods are stored

Within 10 days of issuance of seizure notice, State must inform perpetrator of its intention to institute criminal proceedings

Within 10 day of written notice, those criminal proceedings must be instituted

FAILURE TO COMPLY WILL RESULT IN GOODS BEING RELEASED TO PERPETRATOR
Criminal Penalties

- Order for destruction of goods
- Disclosure of source of counterfeit goods.
- First conviction:
  - fine of R5000 per article or imprisonment not exceeding 3 years or both
- Second /subsequent conviction:
  - fine of R10 000 per article or imprisonment not exceeding 5 years or both
Civil Relief

• An interdict/injunction against the Defendant;
• Declaration that the seized goods are counterfeit goods;
• Delivery up of the counterfeit goods to the owner of the IP right;
• Disclosure by the Defendant of the source/s & identity of persons involved in the importation and/or distribution;
• Damages and costs, including legal, storage and destruction costs.
Border Control

Cape Town Harbour

Durban Harbour
Borders with Botswana

- Skilpadshek Border Post
- Kopfontein Border Post
- Groblers Bridge Border Post
Zimbabwe

Beitbridge Border Post
Border Control

- **Necessary** for IP Right owner for file a Section 15 application (Customs watch notice) with the office of the Commissioner of Customs;
- Furnish customs with details of IP rights and request that suspected counterfeit goods are detained;
- Must be filed in the name of the IP Right owner;
- Indemnity (serves as security);
- Power of Attorney;
- Inform Customs of authorized importers;
GOODS DETAINED BY CUSTOMS

Customs informs you and provides opportunity to inspect and confirm goods are counterfeit

Time limit: 5 working days to inspect and swear on affidavit that goods are counterfeit (extendable by Customs with “satisfactory reasons”)

You provide satisfactory affidavit within time limit

No satisfactory affidavit provided

Customs formally seizes the goods and stores in counterfeit goods depot

Customs informs you and importer of seizure by issuing a Seizure Notice

You negotiate amicable settlement with importer

Time limit: 10 days to notify importer of intention to commence civil proceedings

Time limit: 10 days to initiate civil proceedings

Time limit: 3 days to lodge criminal complaint with Police

Time limit: State has 10 days to inform importer of intention to initiate criminal proceedings and further 10 days to initiate proceedings

Goods released to importer
Market Place Enforcement

- Voluntary surrender approach:
  - Informal market;
  - Low quantities of goods;
  - Information gathering;
  - Focus on removal of counterfeit goods from the market place.
Namibia

- Legislation
  - Industrial Property Act, 2012 (Regulations not enacted)
  - Trade Mark Act, 1973
  - Merchandise Marks Amendment Act, 1987
Namibia
Botswana

- Legislation
  - Industrial Property Act, 2010