



COPYRIGHT

South Africa

Adams & Adams

**Copyright:
an asset worth protecting
Copyright Act no. 98 of 1978
Copyright in Cinematograph Films Act no. 62 of 1977**

Intellectual Property

Intellectual property, although intangible, is a valuable asset on the balance sheet of any business - in many cases exceeding in actual marketable value the fixed property of the business.

'Intellectual property' is a generic term used to refer collectively to intangible products such as patents, industrial designs, trade marks and brand names, copyright, trade secrets and know-how, etc., all of which are products created through the innovative or creative efforts of people. It is important for people in business to be informed of the different kinds of intellectual property, to recognise when intellectual property has been created within the ambit of their business activities, and to see to it that the necessary steps are taken timeously to ensure that this property is protected. Legal protection is necessary to prevent others from making unauthorised use of the intellectual property to the detriment of the true owner, and to ensure that the true owner will enjoy the full commercial benefit of his/her creative efforts.

Copyright Act no. 98 of 1978

Introduction

Whereas the other forms of intellectual property rights, such as patents, trade mark and design rights, arise only after registration with the Registrar of Patents, Trade Marks and Designs, registration is not necessary for copyright to exist. This means that the author of an original copyright work can become the owner of copyright automatically.

It is often assumed that copyright is a form of intellectual property of interest only to artists, poets, novelists and composers. This is not the case. The Copyright Act has been drafted in such a

manner that copyright protection extends to a great variety of products. Furthermore, copyright has a long duration (longer than patent and design rights) and is automatically recognised in other countries that are members of the Berne Convention.

Works eligible for copyright

The Copyright Act provides that the following works, if they are original, are eligible for copyright:

- literary works
- musical works
- artistic works
- cinematograph films
- sound recordings
- broadcasts
- programme-carrying signals
- published editions
- computer programs.

Some of these categories of works have been defined widely. For example, a 'literary work' includes, irrespective of literary quality:

- novels, stories and poetical works;
- dramatic works, stage directions, cinematograph film scenarios and broadcasting scripts;
- textbooks, treatises, histories, biographies, essays and articles;
- encyclopaedias and dictionaries;
- letters, reports and memoranda;
- lectures, speeches and sermons; and
- tables and compilations, including tables and compilations of data stored or embodied in a computer or a medium used in conjunction with a computer, but shall not include a computer program.

An 'artistic work' includes, irrespective of artistic quality:

- paintings, sculptures, drawings, engravings and photographs;
- works of architecture, being either buildings or models of buildings; or
- works of craftsmanship, not falling within either paragraph (a) or (b).

For a work to become eligible for copyright, it must (with certain exceptions) be written down, recorded, represented in the form of digital data or signals, or otherwise reduced to material form.

No need for registration

Copyright comes into being automatically and no registration is required. In respect of cinematograph films, registration is possible but it is not necessary for copyright to exist.

Copyright is automatically conferred on a work that is eligible for copyright at the time when it is created, provided that certain requirements are met. These require:

- the author (or in the case of joint authorship, one of the authors) to be a qualified person. A 'qualified person' is, in the case of an individual, a South African citizen (or a citizen of a Berne Convention country), or someone who is domiciled or resident in the Republic (or in a convention country) or, in the case of a juristic person, a body incorporated under the laws of South Africa (or a convention country); or
- the work to be first published in or made in South Africa (or in a Berne Convention country), even though the author is not a qualified person. The term 'publish' in this context is defined to mean the issuance of copies of the work to the public with the consent of the copyright owner in sufficient quantities.

The Berne Convention, referred to above, is an international agreement for the protection of literary and artistic works to which South Africa has acceded. The protection of the Copyright Act has been extended to the nationals or residents of those countries. At present, more than 148 countries are members of the Berne Convention.

Author of a work

The author of a copyright work is generally the person who makes or creates the work, but this is not always the case.

The term 'author' is defined in the Act in respect of each category of works, eg:

- for a literary, musical or artistic work, to mean the person who first makes or creates the work;
- for a photograph, to mean the person who is responsible for the composition of the photograph;
- for a sound recording or a film, to mean the person by whom the arrangements for the making of the sound recording or film were made;
- for a computer program, to mean the person who exercised control over the making of the computer program.

Ownership of copyright

The author is, generally speaking, the first owner of the copyright which subsists in the work, but this is not always the case.

The Copyright Act provides that, as a general rule, the ownership of the copyright vests in the author, except that:

- the copyright in a literary or artistic work made by an author in the course of his employment by the proprietor of a newspaper, magazine or the like, belongs to the proprietor of the newspaper, magazine, etc. for the purpose of being so published, but in all other respects the copyright subsisting in the work vests in the author;
- a person who commissions a photograph, the painting or drawing of a portrait, the making of a gravure, the making of a cinematograph film or a sound recording, and pays for it pursuant to the commission, will be the owner of the copyright subsisting in the work so made;

- where the work is made by or under the direction or control of the state or an international organisation, copyright is conferred and vests in the state or in the relevant international organisation;
- the work (with certain exceptions) must have been written down, recorded, represented in digital data or signals, or otherwise reduced to material form;
- in the case of all works not falling within the above categories and which are made in the course of an author's employment by another person under a contract of service or apprenticeship, the copyright will be owned by such other person (ie the employer).

Copyright is transferable by assignment. To be effective, an assignment of copyright must be in writing and signed by the assignor.

Originality and reduction to material form

As indicated above, the Act provides that the works listed will be eligible for copyright if they are 'original'. There is no definition of 'original' in the Act but the Courts will in determining the originality of a work, take into account, the fact that the work is 'a substantial improvement on what preceded it' and that 'a lot of skill, labour, effort and time were expended' in creating the work. It is a generally accepted principle of copyright law that the concept of originality is not equivalent to novelty or uniqueness but should be understood to mean that the work emanated from the author and was created through the application of the author's skill and creativity, labour and efforts.

Apart from the requirement of originality, it is required that the work must have been written down, recorded, represented as digital data or signals, or otherwise reduced to material form. Prior to such reduction to material form, whilst a work is still a mere idea in the mind of its author, no copyright comes into existence.

Duration of copyright

The duration of copyright is relatively long and the term is different for different categories of works. For example:

- for literary, musical or artistic works other than photographs, the term is the life of the author plus 50 years from the end of the year in which the author dies;
- for cinematograph films, photographs and computer programs, the term is 50 years from the end of the year in which the work is made available to the public or is made (where no publication takes place);
- in the case of sound recordings and published editions, the term is 50 years from the end of the year in which the recording or edition is first published.

Copyright protection

In legal terms, copyright confers on the copyright owner an exclusive right to do or to authorise the doing of certain acts. The subsistence of copyright in a work does not confer absolute protection for the work in the sense of prohibiting the making of or use of a similar work in all circumstances. It confers, generally, a right to prohibit copying of the work by another. These vary according to the type of work. The most important act that is prohibited is the making of a reproduction (or copy) of the work.

The term 'reproduction' does not mean only the making of a direct copy. The term is defined to include also an indirect copy, ie a copy made from a copy, as well as a version in three-dimensional form made from an artistic work which itself is in two dimensions (and vice versa).

Infringement of copyright and remedies

Copyright in a work is infringed by any person who, without the authorisation of the owner, does any of the acts reserved for the owner, eg makes a reproduction of the work. The Act also provides for copyright to be infringed indirectly -

- by any person who, without the authority of the copyright owner, imports, sells, lets, by way of trade offers or exposes for sale or hire, or distributes for purposes of trade, an article in

the Republic if he/she knew that the making of the article constituted an infringement of copyright or would have constituted an infringement if made in the Republic (section 23(2)); or

- by any person who permits a place of entertainment to be used for a public performance of a literary or musical work, where the performance constitutes an infringement of copyright, unless the person was not aware and had no reasonable grounds to suspect that the performance was an infringement (section 23(3)).

Judicial proceedings can be instituted by the copyright owner in the case of infringement of copyright. If infringement is found to have taken place, the plaintiff is entitled to:

- damages;
- an interdict;
- delivery up of infringing copies or plates used for making infringing copies;
- in lieu of damages, at the option of the plaintiff, an amount calculated on the basis of a reasonable royalty which would have been payable by a licensee.

The court may also, taking into account the flagrancy of the infringement and the benefit shown to have accrued to the defendant, award such additional damages as the court may deem fit.

Offences

Certain dealings that infringe copyright are stipulated in the Act to be criminal offences. Fines and periods of imprisonment are prescribed. These criminal acts include -

- making for sale or hire, or selling or letting;
- by way of trade offering or exposing for sale or hire;
- by way of trade distributing or exhibiting in public;
- importing into the Republic otherwise than for private use;

articles which the person knows to be infringing copies.

Artistic works and reverse engineering

As set out above, artistic works in the form of drawings of a technical nature (such as engineering drawings, flow charts, etc) and works of craftsmanship (such as prototypes, models, etc) can enjoy copyright protection.

Copyright owners have, in the past, sought to rely on the copyright in their engineering drawings to prevent third parties from making three-dimensional versions of their works by way of reverse engineering, ie by copying an existing, legally made, three-dimensional article made from the drawings.

A provision was introduced into the Copyright Act in 1983 to regulate the position in regard to such copying. It states that where a three-dimensional version of an artistic work has been made available to the public with the consent of the copyright owner (referred to as an 'authorised reproduction'), the copyright in the artistic work will not be infringed by a person who makes a three-dimensional copy of the authorised reproduction, provided that the article in question primarily has a utilitarian purpose and is made by an industrial process.

This proviso means that the category of articles to which this provision extends excludes aesthetic articles such as sculptures.

Marking of copyright works

Marking of a copyright work is not a requirement in terms of the Copyright Act. However, certain advantages can be achieved by marking a copyright work with the internationally recognised copyright sign, namely ©, the year in which the work was made or published, and the name(s) of the author(s) and copyright owner(s).

Registration of Copyright in Cinematograph Films Act no. 62 of 1977

Purpose of registration

Registration of copyright in cinematograph films is provided for by the Registration of Copyright in Cinematograph Films Act no. 62 of 1977. The expression 'cinematograph film' has the meaning assigned to it in terms of the Copyright Act no. 98 of 1978. The purpose of the registration is to facilitate proof, firstly, that copyright subsists in a particular cinematograph film in South Africa and, secondly, that a given person is the owner of the copyright in the film. This makes it easier for copyright owners in infringement proceedings.

In the absence of registration of the copyright in the cinematograph film, it is necessary for a copyright owner in a litigation matter to prove ownership and to establish the subsistence of copyright.

Benefits of registration

The main advantages of registration are that:

- registration will be prima facie evidence of the validity of that copyright (in civil as well as criminal proceedings). Thus, in a civil matter to restrain infringement, it will not be necessary for the copyright owner to prove the subsistence of copyright and the fact of his ownership. A Certificate issued by the registrar of Copyright will constitute prima facie evidence of these matters;
- a person other than the owner of the copyright in a cinematograph film may be registered as a licensee, either with or without conditions or restrictions.
- it is possible for the registered owner of the copyright in a cinematograph film to assign it and, by making application in the prescribed manner, the assignee may be recorded in the official register as the subsequent owner of the copyright; and
- in civil or criminal proceedings for infringement of copyright in films registered under the Registration of Copyright in Cinematograph Films Act, knowledge of the particulars entered in the register of copyright is presumed.

Application for registration

Who may apply to register the copyright in a film

Any person claiming to be the owner of the copyright in a cinematograph film by virtue of the provisions of the Copyright Act, may apply to the registrar in the prescribed manner for registration.

Requirements for an application for registration

The following information and materials are required for purposes of preparing and lodging an application for registration of copyright in a cinematograph film:

- C the full name or names, nationality, trading style, legal status, and description of the applicant(s) and, if the applicant is a body corporate other than a South African company, the nature of and country of incorporation;
- C the street address/principal place of business of the applicant;
- C documentary proof (if the applicant is not the author) of his entitlement to apply;
- C whether the film is in colour, or in black and white;
- C the category, language and duration of the film (see also the heading 'Categories' below);
- C a 'Statement of Case' (see next section) and the full names (and designation) of the person who will sign the Statement of Case; and
- C a Power of Attorney.

It should be noted that the registrar may also, in his discretion, call for a deposit in his office of a specimen or copy of the film and he may refer to the deposit in the register. Furthermore, any other relevant supporting documents, duly authenticated, or copies thereof should be provided.

Further information to be provided

Statement of case

The application for registration must be accompanied by a Statement of Case, which must contain the following particulars:

- C the name or names of the cinematograph film;
- C the name, citizenship, and country or countries of domicile and residence of the author of the film;
- C the circumstances by virtue of which the author claims to be the author of the film;
- C dates on and place or places at which the film was made;
- C whether the film has lawfully been made available to the public and if so the date on which it was first so lawfully made available to the public;
- C whether the film has been published and if so the place and date of first publication;
- C a brief description of the story or subject matter of the film;
- C the full name of the director and producer of the film;
- C the full names of the principal players (if any) or of the narrator, if appropriate, in the film, which serve to distinguish the film from other films;
- C any marks, including trade marks or other features, used to distinguish the cinematograph film.

Foreign registrations

Where the applicant has already registered the copyright in a cinematograph film in another country it will be useful if a copy of the certificate of registration in that other country is furnished.

Languages and translations

Where an application contains words not written in the Latin alphabet (eg in Chinese, Japanese or Arabic), it will be necessary to provide a sufficient transliteration and translation to the satisfaction of the registrar, signed by the applicant (or his agent).

Any document in a language other than the English or Afrikaans languages must be accompanied by an exact translation, certified to the satisfaction of the registrar.

Categories

For purposes of registration, films are classified into different categories, such as action or adventure, cartoons, comedy, documentary, drama, etc. The correct category/categories must be indicated in the application.

Where problems arise in connection with the selection of the correct category, we should be furnished with full details of the story line to enable us to determine the correct category or categories involved.

Procedure after filing

Examination

After filing, the application undergoes examination at the hands of the Registrar of Copyright. All the applications are examined by the Registrar in strict chronological sequence of filing.

Once the examination has been completed, the Registrar takes action on the application, either accepting it absolutely or preliminarily refusing it or indicating subject to what conditions it may be accepted. An opportunity is afforded the applicant to make representations to the registrar to overcome whatever objections may be raised or to deal with the application otherwise, as the circumstances may dictate.

Once an application has been accepted, it must be advertised in the Patent Journal, which is published monthly by the Government Printer. If no opposition is entered within a month after the advertisement date (see under the next heading 'Opposition'), a registration certificate will be issued.

Opposition

Within one month after acceptance of an application has been advertised in the Patent Journal, any person who considers that he has valid grounds for objecting may oppose the application. The opposition term may be extended by the Registrar. (Details of opposition procedure will be furnished upon request.)

Special searches

A preliminary search may be made at the Registrar's office to ascertain whether or not the copyright in a given cinematograph film has been registered. The Registrar maintains an alphabetical index of the names of all applicants for registration of copyright in films and of registered owners, as well as an alphabetical index of the names of all the assignees and registered licensees.

Furthermore, the registrar maintains an alphabetical index of the titles of all cinematograph films that are the subject of applications or registrations.

Duration of a registration

The registration of the copyright in a cinematograph film endures for the full term of the copyright, namely 50 years from the end of the year in which the work is lawfully made available to the public or, failing such an event within fifty years from the making of the work, 50 years from the end of the year in which the work was made.

Infringement proceedings

The Copyright Act governs infringement of copyright in cinematograph films. In terms of the Copyright Act, copyright can be infringed directly by doing, without the authorisation of the owner, any act that is reserved for the owner. Copyright can also be infringed indirectly by the importation, selling, letting, by way of trade offering or exposing for sale or hire, or distribution in the Republic of South Africa of a cinematograph film by any person who knows that the film would constitute an infringement of copyright in the Republic.

General

This booklet is not intended to provide comprehensive or definitive guidance on copyright law but is intended for general information.

Specialised advice on matters not dealt with in this booklet will be furnished on request.

Our charges (including disbursements) for filing and prosecuting applications to register copyright in films depend on the complexity of each application. We can provide an estimate upon receipt of details.

© **Adams & Adams**
May 2006