may order and direct a CMO to undertake various remedial actions where a CMO does not observe the interests of its members.

Enhanced oversight and enforcement actions against CMOs that do not effectively manage the interests of their members will arguably reign-in conduct that has decreased the effectiveness of collective management of copyright in Kenya. This will boost the governance of CMOs significantly, to the benefit of artistes and other copyright owners.

Copyright Register
The new law empowers KECOBO to maintain a register of all works registered pursuant to the Copyright Act. The register is accessible to the public upon request. This provision appreciates the need to create a verifiable record of registered works for an author, owner, assignee or exclusive licensee.

Copyright Tribunal
The Copyright Tribunal replaces what was defined as the Competent Authority in the previous act. The Copyright Tribunal will have jurisdiction to hear and determine a dispute over copyright registration. It will also hear and determine appeals against KECOBO’s refusal to grant a certificate of registration to a CMO or where KECOBO has imposed unreasonable terms and conditions for grant of a licence or certificate of registration to a CMO.

It is important to note that the Copyright Tribunal will not have the power to determine disputes between CMOs and their members. This has largely been reserved for KECOBO and its Executive Director.

Other developments
The new law amends the Copyright Act in line with global trends in copyright law. It provides for contemporary developments by protecting ISPs against liability for the transmission of copyright-infringing material through the network and bandwidth they provide to customers as part of their ordinary course of business. An ISP will be required to action any takedown notice received from a copyright holder relating to infringing material and to provide information to investigative agencies where necessary. However, there is no general obligation on ISPs to monitor transmitted material or actively seek out circumstances of infringing material on its networks.

These protections are known as “safe harbour” provisions. They are a recognition of the pervasive nature of infringement of copyright by utilisation of the internet, and the role that ISPs play as a conduit of data and provider of internet connections. They respect the perception of an ISP’s role as merely providing a “dumb pipe” for data to flow between various points on a network.

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DESIGN PROTECTION FOR SPARE PARTS IN SOUTH AFRICA AND THE UNITED STATES

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In BMW v Grandmark International 2014 (1) SA 323 (SCA), the Supreme Court of Appeal found BMW’s registered designs for vehicle spare parts to be invalid. The designs in question were for a bonnet, a grille, a headlight assembly and a front fender. The court held that the design of these parts did not qualify as aesthetic designs because consumers select them solely to perform the “function” of replacing the original with an exact match. According to the SCA, aesthetic designs must be “those that invite customer selection – and customer discrimination between articles – solely by their visual appeal”. The court found the designs to be purely functional and, therefore, incapable of protection as aesthetic designs.

In South Africa, designs can be filed as either aesthetic designs or functional designs. An aesthetic design has “features which appeal to and are judged solely by the eye, irrespective of the aesthetic quality thereof”, and a functional design has “features which are necessitated by the function of the
Section 14(6) of the Designs Act excludes from the protection of a registered functional design any feature of pattern, shape or configuration of an article that is in the nature of a spare part for a machine, vehicle or equipment.

An almost identical case came before the United States Court of Appeals for the Federal Circuit in Automotive Body Parts Ass’n v. Ford Global Techs. (Fed. Cir. 2019), with the opposite outcome. Ford held two registered designs (called design patents in the USA) for the hood (bonnet) and headlamp of its popular F150 truck (bakkie) and sought to enforce these against the Automotive Body Parts Association (ABPA). ABPA adopted the same argument as Grandmark: anyone wanting to replace a Ford F150 bonnet or headlamp will want a replacement part that matches the original. The court summarised this as, “[ABPA] argues that Ford’s hood and headlamp designs are functional because they aesthetically match the F-150 truck.”

The Federal Circuit rejected this theory of functionality, holding that: “the aesthetic appeal of a design to consumers is inadequate to render that design functional” – “even in this context of a consumer preference for a particular design to match other parts of a whole”.

In the USA, a design patent must be directed to an “ornamental design for an article of manufacture” and not one “dictated by function”, which is similar to the requirements for an aesthetic design in South Africa. Although the article of manufacture may be functional, the design itself may not be primarily functional. In deciding whether a design is primarily functional, the Federal Circuit applied a test that asks whether the design is “essential to the use of the article”. Other factors to be considered are: i) whether the protected design represents the best design; ii) whether alternative designs would adversely affect the utility of the article; iii) whether there are any utility patents directed at the design features; iv) whether the product’s advertising touts particular features of the design as having specific utility; and v) whether there are any elements in the design or an overall appearance clearly not dictated by function.

By framing ABPA’s argument as the design having an aesthetic appeal that includes a requirement to aesthetically match, the court easily found in favour of Ford by holding that market advantage through aesthetic appeal is the exact type of market advantage that design patents are supposed to provide. The court said the following: “Automotive Body Parts Association (ABPA) asks us to hold that the aesthetic appeal – rather than any mechanical or utilitarian aspect – of a patented design may render it functional ... We decline ABPA’s invitation”. The SCA in Grandmark, however, found that consumers would not even consider aesthetic appeal at all. Our Court said: “The articles embodying the designs are not selected by customers for their appeal to the eye. They are selected solely for the function they perform – which is to replace components so as to restore the vehicle to its original form”.

This framing is important as it led the respective courts to different outcomes. The ABPA in the Ford case may also not have had proper evidence for all of its contentions. Consider, for example, the following extract: “ABPA declares that customers care about design in the initial sales market, but not when they select replacement parts. But ABPA cites no supporting facts. Instead, it ignores abundant record evidence regarding performance parts available as replacements for customers who ‘want [their vehicles] to look better’ ”.

Design protection remains available in South Africa for an entire vehicle, for custom parts such as non-standard performance parts, and possibly for interchangeable parts that are used across multiple vehicle types (e.g. wing mirrors, wheels, seats and steering wheels). But unlike in the USA where spare parts can be protected by designs as long as the design of the part is not essential to its use, in South Africa standard, non-interchangeable spare parts are considered as purely functional and incapable of design protection.

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