

Children of Fire

Tel: +27 11 726 6529 www.firechildren.org

Newsletter

No.1 2009

Beyond Borders

The years 2008 and 2009 have seen Children of Fire leaping from country to country on international outreach: Tunisia, Democratic Republic of Congo (DRC), Switzerland, Nigeria, United Kingdom (UK), France, Cameroon and the United States. (Check website for country-specific newsletters).

The charity continues to spread its wings with an office in Tunisia and beginnings of a branch in Kinshasa, DRC. In 2008, two Tunisian teenage burn survivors travelled to South Africa for four weeks to participate in the annual Drakensberg Adventure. Later a Sudanese refugee was accompanied by the charity's Africa Outreach Manager to Tunisia to finish his medical treatment through our links there. In late 2009, three Tunisian doctors will be attending a prosthodontics workshop organised in association with Wits University Dental Department.

With invaluable assistance from the South African Department of Foreign Affairs, our Central Africa Project Manager, Chris Wilson, visited the main hospitals in Kinshasa, researching living conditions, causes of burns and burns treatment resources and skills available there. He also met with met the Minister of Public Health and Minister of Gender, Family and Children to discuss the charity's intentions in the DRC. 2009 will see the charity's first surgical outreach in Kinshasa, operating on burn survivors and passing on much need medical skills and equipment.

Medical Researcher, Marietta Neumann represented the charity in Lagos, Nigeria at the Pan African Burns Society Congress. Marietta made two presentations at the conference: one on research done at Johannesburg Academic Hospital; the other on the charity's safety commercial project, which aims to educate the public on fire safety and prevent severe burn injuries.

In March 2009, volunteers Tristan Jones and Rosie Chirongoma visited numerous schools in the UK, making presentations to final year pupils encouraging them to volunteer for the charity in their gap year. They also communicated with managers at Madame Tussauds Waxworks Museum to discuss a potential publicity campaign for the charity. They discussed future collaborative projects with James Partridge, Founder of Changing Faces, a charity assisting people with facial disfigurements.

After consultations with surgeons in Zurich, Bern and Geneva in August 2008, seven year old Feleng Mahamotse finally had surgery to fill the bony deficit (hole) in his forehead in January 2009. Dr Merlin Guggenheim and Dr Walter Künzi lead the surgical team from the University Hospital of Zurich to perform the surgery. Feleng was hosted by charity friend, Kari Sulc until March 2009. Since then Dr Künzi and Dr Guggenheim have agreed to do a collaborative surgical workshop on calvarial defects in South Africa in December this year.



Children of Fire—Africa's first burns charity



Yassine and Sameh, two Tunisian burn survivors hiking in the Drakensberg



Chris with Dr Victor Kaput (centre), former Minister of Public Health, and Dr J. Kalonji (left)



Marietta (left), and other delegates absorbed by presentations at the Pan African Burns Congress in Nigeria



Feleng meeting with surgeons in the University Hospital of Zurich

China, Cameroon, Cape Town helpers

It is our pleasure to welcome a growing number of new helpers on board. Some are with us for short term projects or university holidays; others have made long term commitments.

Genevieve Mezoh (24) from Cameroon has a biochemistry degree and hopes to enter medicine at Wits University via the Graduate Entry Medical Programme. She does medical research for Children of Fire and wrote an article on the inadequacy of the South African government's vaccinations plan, which does not include a rubella jab any longer.

Margaret Hansen (19) studies mechanical engineering at the University of Cape Town. During her break she researched stoves and fuels and their South African Bureau of Standards' documentation standards for the charity. She also wrote an article on this topic for the magazine "African Review".

Moira Golden used to work as a school secretary.

After her resignation she signed up with a volunteer recruitment agency, and was directed towards

Children of Fire, where she now helps part time.

Michael Wessels (21) and Obed Madu (27) are doing a postgraduate diploma in Management at the University of the Witwatersrand. For their internship, they chose to help roll out Children of Fire's rural employment project: The Amangwane Royal Jam business.

Wytske van der Werf (34) hails all the way from the Netherlands. She has degrees in economic geography and in IT and logistics. She lived in China and New Zealand before she came to South Africa and is now a Tuesday-to-Friday member of the Children of Fire team.

Ellen Phillips (20) decided to return to South Africa after a volunteering stint at Sparrow Schools for children with learning difficulties. Apart from



Margaret, Michael and Obed go out of their daily routine to help fire survivors in Alexandra township

numerous day-to-day tasks at the office and assisting with legal matters, Ellen helps to look after the associated school and runs a volunteer lunch club.

Dr. Mick Muianga (29), a Mozambican who studied medicine in China, is using his skills to help Children of Fire while waiting for the South African Department of Health to accept his qualifications.



Mick helps hand out blankets to the survivors of a fire in mid-July 2009 in Alexandra.

Venda lad gets private schooling; wants tourism career

Andani Mphaphuli (19) is flourishing in the former Venda homeland, after he took a decision to change to a private school. In the state sector he was repeatedly teased and victimised by teachers for his burn scars. He turned 19 years old in January 2009 and is heading towards Matriculation. He is studying his first language Venda, tourism, agriculture, applied agriculture, English, life orientation and mathematical literacy (the simpler maths). While his grades are low, he hopes to have a school leaving certificate by December 2009. The school fees are R4250 a year but Andani still receives a

disability grant in Northern Province which helps towards school finance and additional transport costs of R192 a month from his small village near Sibasa.

It is not the charity's viewpoint that he is disabled and we did not secure the grant for him.

Andani's biological father has not contributed financially to his care, his mother does not work, and the stepfather who burned him, is serving a 107 year jail sentence for two attempted murder charges.



Amu can touch the stars after axilla release

Amukelani "Amu" Dube (5) pulled a pot of boiling water over herself in April 2007. This was in rural Zimbabwe—with the limited resources available there, she did not have any surgery until she came to Children of Fire in late 2008. She was referred by her grandmother's employer Merrin Brown, who lives in South Africa.

In December 2008, she had an operation to release the contractures of her armpit axilla, with subsequent occupational therapy.

Back with her grandma and grandpa in Johannesburg, Amu has started to learn how to read and can already write her name. She is determined to begin school next year.

Travelling to KwaMevana, Imbali and onwards

Leaving Jo'burg on a Friday evening, overnighting at a service station and then arriving at Bongani Madlala's mother's RDP* house in the KwaMevana township adjacent to Howick in KwaZulu Natal Province was a sharp reminder of how poverty shapes lives.

Drunk before breakfast: the debauched youth of KwaMevana, KZN

We drove in around 8a.m. and young men in the township were already drinking large bottles of beer. When questioned about their behaviour, they said "But it's December, it's Christmas." It was 13 December 2008 and they were drunk before breakfast. Bongani's mother had long sought the courage to leave her violent husband, whose family has a fairly nice house nearby with a flourishing vegetable garden. It seemed OK to settle in a tiny badly-built RDP house if she could escape the cycle of violence and an unemployed man drinking away her paltry piece-job-gardener earnings. But he followed her to the RDP house. After all, how was he going to get beer money if he stayed by himself?

There clearly is no money to spare. Weary travellers each received two slices of white bread, a spoonful of minced pilchards and a glass of soft drink. The lemonade was a luxury item.

And yet we have fed, clothed, schooled and transported Bongani for the past six years—as well as put him through repeated surgery. What would he have eaten and worn if he had stayed at home?

The new house is a hovel. A concrete shed. There are two double beds, a sparse kitchen and a bathroom with a basic WC. There is no geyser. No sofa. Television and radio though. There is no room for more furniture than that. Visitors sit on the bed.



RDP house plumbing is poor quality.

There is no ceiling. Even the lavatory is not properly vented. So when the government sings its own praises for the million or more houses that it has



Londeka, Sizwe, Amukelani and Tapera with Bongani and family.

built, remember what rubbish these houses are and how barely one of them meets the building laws and regulations of this land. However Bongani's Mum

*RDP house means "reconstruction and development programme house". The budget for these houses was consistently too low and the supervision of building standards insufficient. Those who allocated the budgets, or arranged supervision, never had to live in the houses.

and Dad are both illiterate so they'll never read those regulations and know how they've been short changed. One T-shirt, one vote. Now more than ever in 2009.

From Bongani's home we travelled onwards to Pietermaritzburg, to Imbali. It's quite a bit richer than most of KwaMevana. But still it's dirt poor.

Many foreigners think that South Africa is a rich country. It has great resources but they are inequitably shared. Poverty is the norm.

Londeka's home has a living room where guests can sit. Her aunt, grandpa and an extended medley of young cousins share the home. A street away, Londeka's mother has another house. She is living with HIV-Aids, still working, but the future looks rather bleak.

The family is literate but possessions are sparse. They've raised their garden wall since we last visited. It is not clear whether it was done for security or for status.



Then onwards to Durban where Amukelani (4) and Tapera (2) see the sea for the first time in their lives. Sizwe sees a drunk man lying on the seafront and assumes that he is dead. He is afraid and asks

"who shot him?"

The children spend a couple of days in the area, where fire fighter Tristan has just completed his final stint as a volunteer fire fighter with Durban Central Fire Brigade.

He hands in all his equipment, gets a handshake of thanks from Mark Tewater, the Fire Chief, and then



we continue onwards, to visit KwaDukuza Fire Brigade. It has 20 fire fighters over a couple of shifts, to protect the lives of 1.5 million people. The fire fighters say that they have enough manpower. But at the same time they say that a family of six people, all sleeping in one bed in a shack, died in a fire the night before.

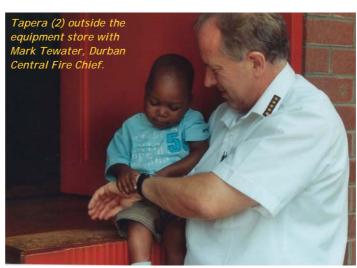
As with Durban Central, they have bright yellow fire engines. Yellow is the colour for visibility and safety. One wonders why there are any red fire engines any more.

We continued onwards to Richards Bay—uMhlathuze. That fire brigade has some 76 fire fighters but they cover a huge geographical area and face great challenges with the factories, mineral plants and all the port industries in the area.

The young burns survivors receive a warm welcome and everyone agrees that there needs to be a follow-up visit in 2009. Thanks to Chief Fire Officer Johnny Loji, Divisional Officer Wilson Xulu, Senior Fireman Peter Mthombeni, Fireman June Hlekwayo and five junior firemen Nonhlanhla Dlamini, Kenia



Little Amu and Sizwe meet Charmaine Richards, Richards Bay fire fighter.





Sicelo Maduna with friends and family at home in Volksrust, Mpumalanga

Ndlovu, Mashabane, Charmaine Badenhorst and Charles Zungu for a warm welcome.

We set off into the night, travelling on small roads



Sicelo and Sizwe at Sicelo's home in Volksrust, Mpumalanga

towards Volksrust. The mists of Melmoth were treacherous, cutting vision down to a metre or so. But eventually we arrived at a place safe to stop and slept 'til dawn.

Then we went to visit 10-year-old burns survivor Sicelo Maduna, who'd missed some important appointments in Johannesburg.

We received a hearty welcome at his home, and Sicelo and Sizwe flung arms around each other's shoulders, setting off immediately to explore the township in search of milk. There was no ceiling and the sponge stuffing stuck out of the sofa, but tea was produced in a tall white cracked china pot with painted pink roses, on a tray. Grandma, mother, aunt, another aunt and a myriad of infants shared the house. The dogs are still having worse than a dog's life but the chickens scratching in the yard, at

least seemed content. Sicelo was not wearing his nose stents (occupational therapist must accept that he really won't comply) but, all things considered—especially his HIV status and his CD4 count—he looked good. He committed to returning to Johannesburg in 2009.

And then onwards, on little roads, to Standerton. We knew that Thulani's cupboards would be bare, so bought essentials from soap powder and cleaning solutions to food that would prepare a good few meals to come, as well as some treats and a small Christmas tree. We introduced ourselves to his neighbours and implored them to help the teenage orphan.

Thulani has a garden where he could grow vegetables, even flowers. He has no tools and no seeds. Basically his little house has one big bed, plenty of blankets, a large television that maybe works, a fridge, kitchen table and an excuse for a bathroom. The plastic sink has cold water, the lavatory barely flushes. It is quite a dispiriting environment to live in with no adult support at all.

A younger male cousin in a higher academic grade, lives with him. He contributes nothing and doesn't even help with Thulani's homework.

While Thulani was overjoyed to have a visit and some food for his cupboards, how many more Thulanis are out there?

Teenagers that the government no longer feels obliged to educate, teenagers who cannot access any grant. This is a kind boy with the potential to do something with his life but unless more people than Children of Fire take notice, the Thulanis of South Africa will fall through the cracks and just be echoes of what could have been.



Thulani Nhleko outside his house in Standerton, where he stays by himself. Seeing his fellow burn survivors again made him happy

Noseweek keeps the pressure on shabby patent thieves

Reproduced with kind permission of Noseweek from the September 2008 issue.

A few years back, the Parastove received widespread public attention - this leak-proof paraffin stove with an automatic shut-off mechanism would drastically reduce the number of fires and burns resulting from paraffin stoves being accidentally knocked over.

Colin Vale's Parastove design didn't win the R500,000 prize offered by the Paraffin Safety Association - despite meeting all the criteria in their competition - but the retired international relations lecturer's design did win a R100,000 prize for the Goodyear *Invention of the Year*.

The invention should have resulted in Vale rapidly joining the ranks of the financially blessed, but, partly thanks to a major law firm turning a blind eye to the transgressions of a wealthy client, things haven't quite turned out like that. In fact, our local hero has lost out big time.

Following the advice of the Paraffin Safety
Association, in January 2005 Vale filed an
application for a provisional South African patent, a
relatively cheap way to begin the patenting
process, and one which gives the inventor a year to
decide whether it's worth incurring the vastly
greater expense of filing a final or "complete"
patent.

Vale then took up the tedious task of talking to the suits, and found himself dealing with Mario Ambrosini (a legal type who made a name for himself advising Chief Mangosuthu Buthelezi). Ambrosini introduced Vale to American venture capitalist Peter Knop - who describes himself as a "philanthropist" - and negotiations began.

They eventually agreed that in return for a 20% stake in a South African company controlled by the moneymen Vale would transfer his intellectual property (IP) to the company, and it would then take care of the patent protection and handle manufacture. On the face of it a fair enough deal.

Ambrosini and Knop did a similar 10% deal with George Long, relating to his wick stove (see *Nothing Sinister* page 10).

Before Vale filed his provisional patent application, he had consulted Phil Pla-Pillans of patent attorneys Adams & Adams, so, in November 2005, when it came to looking for international patent protection, Vale took Ambrosini to see Pla-Pillans. At that meeting it was decided to apply for a Patent Cooperation Treaty (PCT), which is a way of getting pat-

ent protection through the offices of the World Intellectual Property Organisation (WIPO).

After the meeting, Pla-Pillans confirmed to Vale in writing that he would be filing a PCT in Vale's name: the application would be based on Vale's South African provisional application and he would be listed as the sole inventor.

Pla-Pillans later billed Vale for R25,000 on an invoice made out to a South African company with which Ambrosini was associated, and which would eventually be known as Promethea Corporation (Pty) Ltd. The PCT application was filed on 21 December 2005.

In February 2006 Vale was asked to sign an agreement transferring his rights to the intellectual property to the Promethea Corporation, a company which had been registered that same day in the Pacific tax haven of Vanuatu. In return, Vale would get a shareholding in Promethea Vanuatu.

But Vale was uneasy - he'd recently learned from an article in the *Financial Mail* that it was unlawful for South Africans to transfer intellectual property to foreigners without prior approval from the Reserve Bank. Apparently, in a 2004 high court judgment in a case involving Reddot International, Judge Jajbhay had held that patent rights are akin to capital or rights in capital, and therefore subject to regulation 10(1)(c) of the Exchange Control Regulations, which says that "no person may, except with permission granted by the Treasury and in accordance with such conditions as the Treasury may impose ... enter into any transaction whereby capital or any right to capital is directly or indirectly exported from the Republic".

Ambrosini tried to brush aside Vale's concerns, assuring him that he would get Reserve Bank approval when, and if, it was in fact required.

Ambrosini did agree to insert a clause which partly reassured Vale: "Should for any reason this transfer be impaired by or invalidated by or contravene South African law or authorities, this transfer shall be deemed to have been made to Promethea

Corporation (Pty) Ltd, a South African subsidiary of Promethea."

During May 2006, Vale and Ambrosini consulted Chris Bull of patent attorneys Spoor & Fisher, an expert on the exchange control issues surrounding IP, who confirmed that the transfer was null and void from the outset. Despite this, on 12 May 2006, Pla-Pillans went ahead to record the transfer of the PCT application from Vale to Promethea Vanuatu.

Pla-Pillans must have known that it was illegal – not only would the clause have alerted him to the problem, but there was at that time (and still is) an article on the website of his own firm, Adams & Adams, entitled "Watch out for the Reddot when going international", in which partner Bruce Lister, writes that "any such assignment would be void and proprietorship would remain with the South African company".

Following that transfer, Promethea Vanuatu began manufacturing in Vietnam safe pressure stoves based on Vale's design, and marketing them in developing countries, including South Africa. In September 2006, 100,000 Parasafe branded stoves were sent to Promethea Vanuatu's South African subsidiary, Promethea South Africa, which sold the stoves to Pick n Pay.

These sales, as well as an offer from BP to buy Promethea Vanuatu for US\$3.2 million (the offer eventually fell through because BP was worried about the legality of the IP) were making Vale even more uneasy - he was worried that if his IP had been illegally transferred out of the country, there would be problems with getting paid.

So he approached the Reserve Bank, and the reply was quite clear - no approval had been granted so the transfer was invalid. During December 2006, Vale told Pla-Pillans about the Reserve Bank's response and asked him to re-register the PCT application in the name of the South African company in terms of clause 4, or in his own name. On 11 January 2007 Pla-Pillans sent Vale an unexpected response: "You are not my client... please direct your queries to Mario Ambrosini of Promethea Corporation (Pty) Ltd which is my client in this matter".

On 23 January 2007, Vale announced that he was cancelling the assignment and instructed Cliffe Dekker to represent him in the matter. But on 7 February 2007, Pla-Pillans wrote to Cliffe Dekker that: "In light of independent legal advice which our client (Mario Ambrosini) has sought on the matter, our client is of the opinion that the assignment concluded between Colin Vale and Promethea Corporation (Vanuatu corporation) purporting to assign his IP rights to Promethea Corporation is valid."

Ambrosini, it emerged, had obtained an opinion, from Durban advocate Max du Plessis, that assignments of IP did not need Reserve Bank approval, notwithstanding the Reddot case.

Two points stand out here. Firstly, this legal opinion is dated 2 February 2007 - i.e. it was made some

nine months after Pla-Pillans recorded the transfer from Vale to Promethea Vanuatu. Secondly, Pla-Pillans clearly didn't think the opinion had any merit, because on 21 February 2007, less than three weeks after the opinion was written and a mere fortnight after the letter to Cliffe Decker, Pla-Pillans faxed WIPO asking that the applicant for the PCT application be amended from Promethea Vanuatu to Promethea South Africa, on the basis that "the necessary exchange control approval for the assignment of Colin Vale's intellectual property rights to Promethea (Vanuatu) has not been granted...in the circumstances the assignment is deemed to have been made to Promethea Corporation (Pty) Ltd, the South African subsidiary of Promethea Corporation".

Vale was astounded by Adams & Adams's attitude and he lodged a complaint with the Cape Law Society about Pla-Pillans' conduct. On 15 June 2007, senior Adams & Adams partner Alan Smith responded to the Law Society, and his response is a salutary reminder that what lawyers don't say is often more important than what they do - Smith put the complaint down to Vale's "lack of knowledge and understanding".

As regards Reserve Bank approval, Smith said that the PCT application was filed in the name of Vale, so there was no Exchange Control issue (true), that Vale signed a document Pla-Pillans must have known that it was illegal – not only would the clause have alerted him to the problem, but there was at that time (and still is) an article on the website of his own firm, Adams & Adams, entitled "Watch out for the Reddot when going international", in which partner Bruce Lister, writes that "any such assignment would be void and proprietorship would remain with the South African company".

Following that transfer, Promethea Vanuatu began manufacturing in Vietnam safe pressure stoves based on Vale's design, and marketing them in developing countries, including South Africa. In September 2006, 100,000 Parasafe branded stoves were sent to Promethea Vanuatu's South African subsidiary, Promethea South Africa, which sold the stoves to Pick n Pay.

These sales, as well as an offer from BP to buy Promethea Vanuatu for US\$3.2 million (the offer eventually fell through because BP was worried about the legality of the IP) were making Vale even more uneasy - he was worried that if his IP had been illegally transferred out of the country, there would be problems with getting paid.

So he approached the Reserve Bank, and the reply

was quite clear - no approval had been granted so the transfer was invalid. During December 2006, Vale told Pla-Pillans about the Reserve Bank's response and asked him to re-register the PCT application in the name of the South African company in terms of clause 4, or in his own name. On 11 January 2007 Pla-Pillans sent Vale an unexpected response: "You are not my client... please direct your queries to Mario Ambrosini of Promethea Corporation (Pty) Ltd which is my client in this matter".

On 23 January 2007, Vale announced that he was cancelling the assignment and instructed Cliffe Dekker to represent him in the matter. But on 7 February 2007, Pla-Pillans wrote to Cliffe Dekker that: "In light of independent legal advice which our client (Mario Ambrosini) has sought on the matter, our client is of the opinion that the assignment concluded between Colin Vale and Promethea Corporation (Vanuatu corporation) purporting to assign his IP rights to Promethea Corporation is valid."

Ambrosini, it emerged, had obtained an opinion, from Durban advocate Max du Plessis, that assignments of IP did not need Reserve Bank approval, notwithstanding the Reddot case.

Two points stand out here. Firstly, this legal opinion is dated 2 February 2007 - i.e. it was made some nine months after Pla-Pillans recorded the transfer from Vale to Promethea Vanuatu. Secondly, Pla-Pillans clearly didn't think the opinion had any merit, because on 21 February 2007, less than three weeks after the opinion was written and a mere fortnight after the letter to Cliffe Decker, Pla-Pillans faxed WIPO asking that the applicant for the PCT application be amended from Promethea Vanuatu to Promethea South Africa, on the basis that "the necessary exchange control approval for the assignment of Colin Vale's intellectual property rights to Promethea (Vanuatu) has not been granted...in the circumstances the assignment is deemed to have been made to Promethea Corporation (Pty) Ltd, the South African subsidiary of Promethea Corporation".

Vale was astounded by Adams & Adams's attitude and he lodged a complaint with the Cape Law Society about Pla-Pillans' conduct. On 15 June 2007, senior Adams & Adams partner Alan Smith responded to the Law Society, and his response is a salutary reminder that what lawyers don't say is often more important than what they do - Smith put the complaint down to Vale's "lack of knowledge and understanding".

As regards Reserve Bank approval, Smith said that the PCT application was filed in the name of Vale, so there was no Exchange Control issue (true), that Vale signed a document transferring the IP to a Vanuatu company subject to the fall-back that if this was illegal it would go to a South African company (true), and that it now stood in the name of a South African company (true).

But Smith was simply glossing over the fact that his firm had, in the intervening period, recorded the unlawful transfer to the Vanuatu company. Perhaps sensing that he should cover all the bases, Smith said that Adams & Adams didn't draft the transfer document, weren't asked to advise on its legality, and had simply carried out an instruction.

He went on to imply that Pla-Pillans' decision had been based on an opinion from an "eminent counsel", and that a transfer of IP to a foreigner doesn't need approval. He didn't attach the opinion to his letter, claiming that it was "privileged" – which is a neat way of saying it was written long after the transfer was actually recorded.

Asked for his version of the events, Pla-Pillans replies: "Our client expected that the necessary foreign exchange control approval would be obtained, and instructed us to substitute Colin Vale for Promethea (Vanuatu) as applicant... We were then advised by our client that its application for Exchange Control approval was not granted. Our client therefore instructed us to send a letter to WIPO requesting that Promethea Corporation (Vanuatu) be substituted by Promethea Corporation (Pty) Ltd."

Needless to say, the Law Society dismissed the complaint (if any reader has ever been successful with a Law Society complaint, please let us know...).

In the meantime, Ambrosini had been trying to persuade the Reserve Bank that the transfer was perfectly valid and that no Exchange Control approval was required. In his correspondence, which became increasingly acrimonious, Ambrosini threatened to "tear apart" how the Reserve Bank operates. Unsurprisingly, the Reserve Bank laughed off his ranting and in July 2007 issued a very clear ruling - the transfer of IP to Promethea Vanuatu by Vale in return for shares in that company was void from the outset, and the transaction had to be undone within 30 days.

In response, on 15 January 2008, Promethea Vanuatu and Promethea South Africa filed an application in the Cape High Court, citing the Minister of Finance and the

South African Reserve Bank as respondents, along with Vale and Long. Their application seeks a number of orders, including one to review and set aside the Reserve Bank decision that the transfer of the IP rights to Promethea Vanuatu was null and void, and one declaring that the Reserve Bank is not constitutionally empowered to take such decisions.

The man behind Promethea Vanuatu, Peter Knop, submitted an affidavit in which, somewhat predictably, he tries to minimise the inventions of Vale and Long, claiming that the technology which his company bought from them was at a preliminary stage, and that the inventors had done no more than file provisional patents without first determining whether or not their inventions were new or even patentable.

He also claims that, were it not for the deal with Promethea Vanuatu, neither invention would have got off the ground, as neither of the inventors had the funds to take them further.

In fact, says Knop, the inventions were practically worthless. He supports this extraordinary claim by attaching a valuation from "South Africa's possibly most senior and qualified chartered accountant", one Godfrey Shev of Cape Town, who claimed that, at the time of the assignments, the value of each invention was negligible, certainly no more than US\$100, this being the par value of the 10% of the shares issued (around the same time BP was prepared to pay some US\$3.2 million for the company, whose main asset was the two patents).

Knop also claims that, as the inventors will repatriate any money made out of the deal to South Africa, there's no financial loss to the country. And he claims that, if the court finds that the transfers to Promethea Vanuatu were invalid, it must hold that the later transfers to Promethea South Africa were valid, in which event Knop will transfer shares in the South African company to both Vale and Long.

Knop's arguments to get around the inconvenient Reddot judgment mirror those of the advocate who gave the opinion, Max du Plessis, and include the following claims: that South Africa is not entitled to discriminate against foreigners when it comes to acquiring IP rights; that, even if Reserve Bank approval is required, the transfer shouldn't be regarded as null and void, but rather the South African transferring the IP should be punished (how's that for dropping your partners in the shit); and that, as there is no express mention of IP in the Exchange Control Regulations, it's quite clear that

the lawmakers never intended to place restrictions on the transfer of IP.

Knop goes on to argue that, although the Reserve Bank is an "organ of state" under the Constitution and subject to the principle of legality, it acts as though it isn't bound by these legal strictures, as it is owned by individuals and banks, conducts its deliberations in secret, does not deal with the public but only with authorised dealers like banks, is not subject to the Public Finance Management Act, and does not report to Parliament. In short, says, Knop, the Reserve Bank is unconstitutionally established.

Although Vale and Long have indicated that they don't intend to oppose the application, the Reserve Bank and the Minister are opposing.

It remains to be seen whether the application will in fact ever be heard - Promethea Vanuatu has been asked to lodge security for the respondents' legal costs, which seems to have delayed things somewhat. So what's at stake here? Apparently there's a database of at least 400 US and European patents with foreign applicants and South African inventors, and the Reserve Bank is planning to look at these in some detail. Presumably the Reserve Bank is keen to get a definitive ruling (preferably from the Supreme Court of Appeal) on whether Reserve Bank approval is needed for IP transfers from South Africa but, if so, applying for security for costs was probably not the way to go, as this invariably delays or brings legal proceedings to a standstill.

And, if the Reserve Bank is so worried about IP leaving the country, why did it do absolutely nothing when it became aware of the transfer to Promethea Vanuatu in 2006, simply sitting back and waiting for the company to institute proceedings in 2008?

In short, local hero Colin Vale, who had the brains to design a safe paraffin stove, has lost out big time. He's lost his IP and, because his relationship with Promethea Vanuatu has broken down completely, he's made absolutely no money out of the sales of the stove. He's incurred legal costs of some R95,000 in trying to sort this out, and there's always the possibility that the Reserve Bank will come knocking at his door.

All because an attorney agreed to record an illegal transaction, and then refused to accept an instruction to undo what he had done.

Nothing Sinister

George Long is another inventor very pissed off with

attorney Pla-Pillans of Adams & Adams.

Promethea South Africa filed a South African provisional patent for Long's wick stove in George Long's name. (Long's invention was celebrated on the cover of <u>nose68</u>.)

Pla-Pillans then filed a PCT patent application based on Long's provisional patent, but added American venture capitalist Peter Knop's name as a "co-inventor". Pla-Pillans says there was "nothing sinister" in this, and justifies it by saying that "we were advised by our client that Knop had made further developments to George Long's basic wick stove design... these developments were incorporated into the complete specification which accompanied the PCT application". Long contends that, if any changes were made, they were made by a South African engineer and shareholder of Promethea South Africa, Nico Smit, and not Peter Knop.

Was Knop's name added to evade any Exchange Control issues asks Long? Long has been told by a CIPRO official that the addition of Knop's name was fraudulent, and he has laid a charge of fraud (which has gone nowhere) against Pla-Pillans, and lodged a professional complaint with the South African Institute of Intellectual Property Practitioners - this was discussed at a meeting on 4 August 2008, and Long has been told to expect a written response from President Mike du Toit.

Even before the Noseweek article was published, Peter Knop had become pretty infamous in his own country, it seems. See Washington Post website, January 2007, for further information.

Mr Knop appears not daunted by much. While the validity of South Africa's Reserve Bank's decisions are solidly based in Acts of Parliament, Mr Knop and his South African domiciled friend Mr Oriani-Ambrosini (an American living in South Africa), have

challenged the right to exist of the Reserve Bank in the country's courts. The reason it should not exist, they say, is that they don't like its power to prevent intellectual property being taken out of South Africa illegally. So much for American regard for African institutions. There was a hefty financial deposit needed to start the matter (which Knop had no trouble in putting up) and some sort of response is due in the courts in March 2009, depending on how quickly the courts function. Watch your newspapers for more information.

Contact

Noseweek, PO Box 44538, Claremont 7735

South Africa website: www.noseweek.co.za

Tel: 021 686 0570 Fax: 021 686 0573

Email: info@noseweek.co.za

The magazine is published monthly—hits the stores on the last Thursday of every month and is available online. It has been around for 16 years.



George Long demonstrating his invention, the leakproof paraffin wick stove, upside down lopsided.

From Sibanda & Zantwijk Patent Attorneys website: Based on article in Finweek 19 Feb 2009

In a case pending before the Cape Town High Court, the South African Reserve Bank (SARB) is defending an application by Promethea (a company registered in Vanuatu) to review SARB's decision to refuse approval for the expatriation of intellectual property from South Africa. During 2004/2005, Colin Vale developed a prototype pressure paraffin stove, for which he won the Goodyear Tyre Corporation's "Innovation of the Year" award. At about the same time George Long invented a wick paraffin stove for which we was awarded a "2004 Prototype Award"

from SABS Design Institute. Patent applications were filed for both inventions.

During 2006, Vale and Long assigned their patents to Promethea, a company registered in Vanuatu in consideration for 10% bearer shares in the company. However, no exchange control approval for the assignment was ever obtained. The pressure stove was made in Vietnam and sold in South Africa. The relationship between the parties soured and certain patent rights may consequently have been lost. Commercialisation and survival of all the intellec-

tual property is now under threat due to the parties' alleged contravention of our Exchange Control Regulations, in particular Regulation 10(1)(c), which requires prior approval for the export of "capital" from South Africa. Back in 2006 a survey was conducted, which found that 423 families of patents

cite only South African inventors and foreign applicants (typically in tax havens). Since SARB allows expatriation of intellectual property from South Africa in exceptional cases only, most of these patentees are following the Promethea case very closely.

©MyPatent.co.za

SNIPPETS

Saepe est sub pallio sordido sapientia. Often there is wisdom beneath a shabby coat.

Moving on :: Best wishes to Simon Delaney of Deneys Reitz attorneys in Johannesburg, as he moved on from one good firm to take up employment with another good firm, Routledge Modise. Children of Fire is privileged to have had assistance from both firms in the past year.

Jakki Bates is a gem. She is practical and effective, securing us essential donations of items like lavatory paper holders. It is often the most mundane task that eases the day-to-day pressures enormously.

And she still cooks Sunday supper. Thanks Jakki.

What not to give :: Please don't give us old ringbinders with four holes, because we don't have a way of punching paper to fit and even the squatter camp kids don't want them...

Mazwi Zondi, attorney from Cliffe Dekker Hofmeyr, consulting at no 58 on the vexatious litigant and ways in which to ease her daily harassment of the charity, its children, visitors and volunteers.

The case went to court in July and the litigant has been found guilty of common assault. (More in next newsletter.)

Mitta Lebaka has gained in wisdom as a burns survivor intern in our office. She travelled to London with Tristan Jones and got to visit different universities to see where she might study psychology in future. She needs better Matric grades so she's going to study part time and continue working at the charity as well. *Good luck!*

In our quest for scrap paper for the squatter camp reading scheme, we found that BHP Billiton could not help, because the mining giant has instructed its staff to print on both sides.

Congratulations to this example of environmental awareness!

PS: We still need scrap paper.

Welcome to puppy **Ujulwenyosi** (Zulu for honey), whose owners moved to Cape Town and asked Children of Fire to take care of their four-legged friend. Her friends simply call her Uju. In her

early days we weren't sure what kind of dog she was, but she is beginning to look more and more like a sausage dog.



Crying is commonplace for kids who are psychologically prepared for surgery and get cancelled. Not cancelled because they are sick nor even because anaesthetists aren't working their core hours. Cancelled because surgeons are rotated and the new one on the block disagrees with his/her predecessor.

God bless the good surgeons. While we spar with words with surgeons who are mean to our kids and mean to our volunteers, we love the ones who are kind, courteous, skilled, and for whom no medical challenge is too great. Bless you.

Donations—receiving and giving

Blankets passed on to Jordan Old Age Home

A donation of 30-odd colourfully knitted blankets, given to Children of Fire by Kingsmead College, was passed on to the Jordan Old Age Home in Sophiatown in late June 2009. Children of Fire and its associate school had plenty of warm bedding at the time and decided to pass the donation on to others more in need.

The staff were very grateful, and volunteers Moira
Golden and Marietta Neumann helped distribute the
blankets, mostly to residents in frail care.

When Children of Fire receives donations of clothes, toys, blankets etc. it reserves the right to pass these gifts on to other institutions which have more use for them.



Shampoo and toys to Leratong

Victoria Sinton and Tristan Jones took gifts to burns survivors in Ward 24 burns ward Leratong Hospital on the 8th of January 2009.

There was just one child in the ward, a little girl Abueng Tserawa, aged 5, who had sustained electrical burns. Other patients included Grace Kgatlane, an adult, attacked with boiling water; Kate Mamathutsha, an adult injured with boiling water; Zodwa Ntovela, an adult set alight with

spirits by her boyfriend; Thuli Mthemba, an adult injured by a generator explosion (petrol burns); Gabriel Leshoro, a man hurt through a gas explosion at work; Alfaiado Mangatheque, burned in a shack fire; Gabriel Libesse was burned when his wife attacked him with boiling water; George Hlabangwane was severely injured in a shack fire and Tshepho Makhetha was burned by an exploding paraffin stove.

Happy Christmas also in the squatter camp; thanks Cyprian of Saab

Every year on Christmas Day, Children of Fire volunteers go to the Joe Slovo squatter camp and hand out presents to every single child there.

The Happy Healthy Christmas Packs that are compiled for each child consist of healthy snacks, interactive toys and games for different age groups and stationery for the next school year. Cyprian Molati, from Saab South Africa was our Santa.

Towards Christmas time, people wanting to donate are asked to contribute to the Christmas Packs by sponsoring one or more items of their contents.









Sparkles and Skunks

*Kevin Greaves for working on public holidays City Power is skunk of the month. Surely it can improve technology or put security guards on si

V.

Routledge Modise Eversheds attorneys for assisting so swiftly when needed.

Advocates Matthew Welz and Noel Graves for solid advice.

Bowman Gilfillan attorneys for help with everything from rural employment initiatives to defamation.

Webber Wentzel Bowens for help with the house saga

city Power is skunk of the month. Surely it can improve technology or put security guards on sub stations. The second power surge destroyed kettles, TVs, computers, day-night sensors, lights and left us with 16 lights not working and a dangerous circuit in the main children's bedroom.

V.

Vanessa Pretorious of Pretoria SAPS who collected items for our children in December with our letterhead (including 85 scatter cushions from a Pick n Pay store that we were going to give out on Christmas Day) and failed to deliver them even by August 2009.

Thank You

Meg Fitchett, a volunteer who has started at the University of the Witwatersrand Medical School, for handing on her old school books to our kids.

Anne Fitchett for trying to assist with damp problems at the house.

Donors including Hester Lombard (always wondered who the "I Care HAL" donation was from and now we know), Thompson (Somerset West), Sophia Gittings, Bome Jean, P Aitken, E S Viljoen, Gerrans, M Wilson, Ann Morgan, the Moodley family, D Currie/Monique, K Ling, A Bisset and the friends of the Smiths celebrating their 50th wedding anniversary by sharing it with our kids.

Woodoc for assisting with our project to improve the state of our windows, by providing 5 litres Woodoc 10 and 5 litres Woodoc 35 Meranti.

Jeffrey Long for spending time swimming and planting lavender with the children.

Contact Children of Fire:

Tel: +27 (0)11 726 6529 Fax: +27 (0)11 482 4258

Postal Address: PO Box 1048, Auckland Park, Gauteng 2006, South Africa

Email: <u>firechildren@icon.co.za</u> **Website:** <u>www.firechildren.org</u> *Children of Fire is entirely funded by the public; donations can be made to:*

Children of Fire Children of Fire

Account number: 614 920 23919 Account number: 901 033 30

Sort code: 25-65-05 Sort code: 20-17-92 First National Bank Barclays Bank

Melville, Gauteng Canterbury (East Kent branches)

South Africa United Kingdom