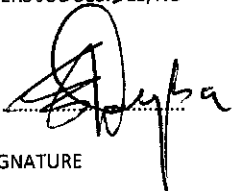




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IN THE HIGH COURT OF SOUTH AFRICA
(GAUTENG DIVISION, PRETORIA)

DATE: 27/11/2014
PATENT CASE NO: P2010/03199
APPEAL NO: A578/14 →

DELETE WHICHEVER IS NOT APPLICABLE	
(1)	REPORTABLE: YES/NO
(2)	OF INTEREST TO OTHERS JUDGES: YES/NO
(3)	REVISED
26/11/2014	
DATE	SIGNATURE

In the matter between:

VODACOM (PTY) LTD

APPELLANT

And

THE REGISTRAR OF PATENTS

1ST RESPONDENT

TRUSTCO GROUP INTERNATIONAL (PTY) LTD

2ND RESPONDENT

JUDGMENT

MAKGOBA, J

- [1] This appeal arises from an application by the second respondent in terms of section 47 of the Patents Act 57 of 1978 to restore its patent following the lapsing of that patent.

- [2] The appeal is against the decision and/or ruling by the Registrar of Patents ("the Registrar") on 31 October 2013 to grant the request by the second respondent, *Trustco Group International (Pty) Ltd*, for an extension of two months period within which to deliver its counterstatement in an opposed application for the restoration of a lapsed South African Patent no 2010/03199 ("the patent") in terms of section 47 of the Patents Act, 57 of 1978 ("the Act"). The second respondent is the patentee of patent 2010/03199.
- [3] The patent lapsed on 26 November 2011 due to the patentee's failure to pay the prescribed renewal fees. The second respondent ("the patentee") applied for the restoration of the patent in terms of section 47 of the Act and the said application was advertised in the patent journal on 26 June 2013. The application was opposed by the appellant. The latter filed its notice of opposition on 26 August 2013.
- [4] The regulations governing restoration applications require an applicant in opposed restoration application to file a counterstatement in the form of a plea within two months of the filing and service of a notice of opposition to the restoration application. As the appellant noted its opposition on

26 August 2013, the second respondent's counterstatement would have been due on 26 October 2013.

- [5] The second respondent failed to file and serve its counter-statement by 26 October 2013. On 30 October 2013 the second respondent applied to the first respondent (the Registrar) for an extension of time to file and serve the counterstatement. The application for extension was granted by the Registrar on 31 October 2013. It is against this grant of time which the appellant appeals.

- [6] The gist of the appellant's contention in this appeal is:

6.1 that in terms of the specific and express provisions of regulation 83 of the Patent Regulations, the second respondent's application for restoration of the lapsed patent had been deemed to have been abandoned by 27 October 2013 when it failed to file its counterstatement by 26 October 2013;

6.2 that on 30 October 2013 when the request for an extension of the two-months period was lodged and by 31 October 2013 when the

request was granted, the patent had lapsed because it has been deemed abandoned.

- [7] The issue to be determined is whether the Registrar of Patents, (the first respondent), was entitled to grant the second respondent an extension of time for the filing of its counterstatement after the initial two months period for filing of such statement had expired.
- [8] It is common cause that at the time when second respondent applied for the extension on 30 October 2013 and same was granted by the Registrar on 31 October 2013 the two months period within which to file the counterstatement had already expired on 26 October 2013. The deeming provisions of regulation 83 had therefore been triggered and the restoration application had thus been abandoned. The issue in this appeal is therefore whether the Registrar can still grant an extension in an application that has already been abandoned and the patent remains lapsed.
- [9] The appellant contends that the Registrar had erred in entertaining and granting the second respondent's belated request for an extension of the period to file its counterstatement. The second respondent relies on the

provisions of section 16(2) of the Patents Act and contends that the Registrar was correct in granting the extension of the period to file its counterstatement.

[10] Regulation 83 provides as follows:

“Within two months of the filing and service of the notice of opposition the applicant shall file and serve a counter-statement in the form of a plea. If such counter-statement is not lodged within the said period or within such further period as the Registrar may allow the application shall be deemed to be abandoned and the opponent may apply to the Commissioner for an order as to costs.”

This regulation is couched in peremptory terms, therefore non-compliance therewith results in the application for restoration being deemed to have been abandoned by the applicant. The patent thus remain lapsed.

[11] Section 16(2) of the Patents Act 57 of 1978 provides as follows:

“(2) Whenever by this Act any time is specified within which any act or thing is to be done, the Registrar or the

Commissioner, as the case may be, may save where it is otherwise expressly provided, extend the time either before or after its expiry.”

This section authorises the Registrar to extend the time either before or after the expiry of the specified time, save where it is otherwise expressly provided in the Act and/or the regulations.

The provisions of section 16(2) are therefore in the nature of a general provision. This would mean that the Registrar is not given an unfettered discretion to extend the time periods. If there is a specific provision to the contrary in the Act and/or regulations, he is not entitled to grant an extension.

- [12] This is where the deeming provisions of regulation 83 come into the picture. The regulations promulgated under the Patents Act are to be read conjunctively and not disjunctively with the Patents Act. Reading section 16(2) of the Act conjunctively with regulation 83 would then mean that the Registrar cannot just grant an extension of time in terms of section 16(2) without having regard to the peremptory and deeming provisions of regulation 83.

[13] Consequently, the discretion conferred upon the Registrar to extend a time period in terms of section 16(2) cannot override a specific declaration of abandonment as set out clearly in regulation 83. Counsel for the appellant submitted that if that were not so, an application like that of the respondent *in casu* could be extended indefinitely with no certainty as to the end thereof. I agree.

[14] By way of comparison reference can be made to section 46(2) of the Patents Act which provides that a patent shall lapse at the end of the period for the payment of any prescribed renewal fee, if it is not paid within that period. This section contains an express provision. Once the patent has lapsed in terms of this section it cannot be resurrected by the subsequent payment of the renewal fee.

[15] In the case of **Kaltenbach Thuring Societe Anonyme v Grande Paroisse Societe 2001 BIP 62 (CP)** this court, per Roux J said:

“Reliance on this general section of the Act is not justified as section 46(2) contain an express provision. The Registrar has no power to ignore the plain operation of the Act, namely non-payment results in lapsing. The extension of time to pay

renewal fees can only be made before the patent lapses. It is obvious that the passing of money cannot resurrect a lapsed patent. Only compliance with section 47 can achieve such a result.”

By parity of reasoning, if a patent cannot be resurrected by the payment of the renewal fee after the patent had lapsed, a lapsed application can also not be resurrected by granting of an extension in terms of section 16(2) after the application had lapsed, given the peremptory language used in regulation 83.

[16] In **Weekly Property Trader v L S Erasmus and Another 2002 BIP 303 (T)** the applications for extension were received by the Registrar after the time period had lapsed. The crucial question was whether the Registrar was entitled to grant an extension of time after the lapse of the period allowed for completing the applications.

[17] Claassen AJ (as he then was) in following and applying the **Kaltenbach** case *supra*, said the following:

"I agree with Roux J that the discretion conferred upon a Registrar to extend a time period cannot override a specific declaration of

abandonment if set out clearly in the Act. If that were not so, an application like the applicant's could be extended indefinitely with no certainty as to the end thereof or to other prospective applicants. And I cannot find on reading of this judgment, that Roux J was wrong. Therefore the Registrar was not entitled to grant an extension of time of an application which had been deemed to have been abandoned."

[18] In the case of **Gateway Communications (Pty) Ltd v Gateway Data Communications and Another 2005 BIP 186 (TPD)** Hartzenberg ADJP followed the decision in **Weekly Property Trader**, *supra* and held that it is not competent to grant an extension of time after the expiry of the period which would lead to a statutory abandonment.

[19] Counsel for the second respondent argued that section 16(2) of the Patents Act empowers the Registrar to grant an extension of time to file a counterstatement even after the expiry of two months period. The second respondent finds support for this proposition in the case of **Lunt v The Minister of Health for the Union of South Africa N.O. 1959 BP 1 (Lunt 1)**.

[20] In **Lunt 1** the Commissioner of Patents struck out a counterstatement filed in a restoration application. As a result of the striking out of the counterstatement the applicant asked for a further time within which to file a counterstatement. When they made the request, the two months period had already expired.

The Commissioner did not view the expiry of the time period as a barrier to the relief sought. The court accepted that such relief was competent notwithstanding a similar deeming provision to regulation 83. The Commissioner did not consider the restoration application abandoned.


[21] The reliance on **Lunt 1** by the second respondent is misplaced. In that case the counter-statement was initially filed within the time period but later struck out on account of it being defective. Consequently the applicant was allowed a further time within which to file what I may call an amended counterstatement. The **Lunt 1** case is clearly distinguishable from the present case.

[22] Prinsloo J in the case of **University of Pretoria v Registrar of Patents and Others 2011 BIP 41 (CP)** extensively dealt with and approved of the decisions in the three aforementioned cases decided in this Division. I consider myself bound by all the four aforementioned judgments with

which I am in respectful agreement. I accordingly make a finding that the Registrar was not entitled to grant an extension of time of an application which had been deemed to have been abandoned.

[23] In the result the appeal succeeds and the following order is granted:

1. The appeal is upheld with costs.
2. It is declared that the application by the second respondent/patentee for the restoration of lapsed South African Patent no 2010/03199 had by 26 October 2013 been abandoned.



E M MAKGOBA

JUDGE OF THE GAUTENG DIVISION, PRETORIA

Heard on: 24 NOVEMBER 2014

For the Appellant: C J VAN DER WESTHUIZEN SC

Instructed by: D M KISCH INC

For Second Respondent: MR K D ILES

Instructed by: ADAMS & ADAMS