

To: The Commissioner, CIPC
Companies & Intellectual Property
Commission

Our Ref: SAIPL Lockdown

Your Ref:

Address: PRETORIA

Date: 30 March 2020

Email: RVoller@cipc.co.za; NMaimela@cipc.co.za ;
FCoetzee@cipc.co.za ; tlehong@cipc.co.za;

Pages: 8 & Annexure A attached

Attention: Adv. Rory Voller

And to: **Ms. Nomonde Maimela:** Executive Manager: Intellectual Property
Ms. Fleurette Coetzee: Senior Manager (Registrar): Trade Marks Division
Mr. Trod Lehong: Senior Manager (Registrar): Patents & Designs Division

Dear Adv. Rory Voller

SOUTH AFRICA: URGENT APPROACH FOR REINSTATEMENT OF ESSENTIAL AND NECESSARY IP SERVICES DURING NATIONAL LOCKDOWN STATUS AND CLOSURE OF THE CIPC

1. We address you on behalf of the SAIPL and its members in response to the Notice issued by CIPC on 24 March 2020 for the full closure of CIPC, including e-filing services, until 30 April 2020.
2. We find ourselves in exceptional, unprecedented circumstances and uncharted territory, requiring the careful balancing of interests of the health and well-being of the people of South Africa and the continued support of the economy of the country. Measures had to be taken and decisions made within a very short period of time to accommodate the national 21-day lockdown which commenced at midnight on 26 March 2020, only 3 days after the President's address of the nation on Monday, 23 March 2020.
3. In addition, we need to prepare and implement contingency plans for a possible extension of the national lockdown and/or any other government-imposed measures, which may extend well beyond the lockdown period. In considering the effect of COVID-19 in International territories, there is a real possibility that additional measures may be called for in order to curb the rapid spread of the virus in the country. Similarly, we need to consider the impact this would have in the event that the CIPC office closure is extended beyond 30 April 2020 and subsequent possible extension of the *dies non* status.
4. We acknowledge and appreciate that CIPC does not fall within the category of 'essential services' as defined and listed in Paragraph B of Annexure B of the Lockdown Regulations (as amended) made under the Disaster Management Act, 2002, and as such the full provisions

relating to lockdown are applicable to the CIPC, its staff and support services, which resulted in the decision to close the CIPC office.

5. Through our communications with the Registrars for Patents, Designs and Trade Marks, the factors considered by the CIPC in making the decision to close the CIPC Office were highlighted, which provides an understanding for the purpose and reasons for the decision of measures communicated in the Notice of 24 March 2020 and related notices. We have similarly taken these factors into account in preparing this formal response to the Notice of Closure of the CIPC Office.
6. We furthermore acknowledge that the decision of office closure was not taken lightly and that it was decided after deliberation and extensive discussion with all the CIPC managers and executives, with the Office of the Minister being consulted throughout the process. In addition, the CIPC has engaged in discussions with heads of IP offices with comparable infrastructures to the South African office (thus not offices such as USPTO where teleworking has been in place for a number of years already), with the challenges CIPC have for full remote access, and they all indicated that should their countries go into full lockdown, as South Africa did this week, they would implement the same drastic measures.
7. The closure of the CIPC Office to the public from Wednesday 25 March 2020 until Thursday 30 April 2020, which included the external facing IP systems, has a disastrous effect, not only on the preservation and protection of the rights of IP rights holders, but on the South African IP industry as a whole which includes the SAIPL members.
8. The period of closure of the CIPC office extends far beyond the period of the National 21-day lockdown, with the effect that it prevents users from doing any work in South Africa for an extended period of time, severely prejudicing the CIPC Users, which includes the staff as well as their families in a time where the economy is in crisis.
9. In addition, unlike the Government which provided reasonable notice of the shutdown, the Notice issued by the CIPC was published just a few hours before closure of the office, providing little to no time at all for the implementation of contingency plans by the CIPC Users before the shutdown, which includes the prioritising of applications and actions required. In the event that the CIPC Office closure had commenced in line with the National lockdown at midnight on the 26th March 2020, the CIPC Users would have had the time and reasonable notice to prepare and lodge urgent and priority matters before the closure.
10. The complete shutdown of the CIPC IP e-services, which includes access to the IP Trade Portal, electronic IP databases as well as the disabling of the patent and trade mark search functions, further prevents the CIPC Users from having access to these records, and to verify or confirm details against the IP electronic database. In considering the CIPC policy on access to information, the information held by the CIPC should be publicly available, even during the period of the National lockdown and period of *dies non* as a result of the CIPC office closure. The unavailability of access to this information is furthermore seriously prejudicing any IP litigant to perform his/her tasks. Furthermore, IP practitioners and other CIPC Users

must at the very least be able to identify IP rights on the register before considering filing IP related litigation proceedings. During the lockdown, our members, working remotely, are continuing in the preparation of pleadings and related litigation aspects, in order to ensure the prompt institution of and/or continuation of legal proceedings after the period of lockdown. Without this ability, one cannot operate a litigation practice which is against the spirit of President Ramaphosa's intentions of the national lockdown.

11. Although the dates of the CIPC office closure will be regarded as *dies non* for the purposes of the stated Acts, there are obvious concerns that *dies non* status will not be sufficient remedy to IP rights holders and may result in substantial and possibly an insurmountable prejudice to their rights, which are outlined below as follows:
 - a. In the case of patents, the principle of absolute novelty applies which requires a patent application to be submitted before public disclosure (sale, use, publication, offer for sale etc.) of the invention to which it relates. This doctrine serves as a precursor to the "first to file" rule, which is followed by the South African Patent office as well as almost all patent offices in the world. The inability for a IP rights holder to file a first patent application in South Africa as a result of the closure of the CIPC, may result in the unequivocal situation that another third party could obtain and register a patent in another jurisdiction during this time period that would nullify any rights that a South African might have gained had they been able to file. As such, if South Africans cannot obtain priority dates in respect of patent applications, we will be prejudiced compared to countries where this is still possible. Some South African clients may overcome this by filing priority founding patent applications in foreign countries. However, this is relatively much more expensive which means the general public is severely prejudiced. Notwithstanding the emergency laws, it might still be unlawful/unconstitutional not to allow the filing of priority founding patent applications to enable inventors to secure priority rights, i.e. an essential IP service.
 - b. In the case of design applications, whilst absolute novelty is a requirement, this is subject to a 6-month grace period from the first 'release date'. As such, IP rights owners may find themselves in a position that their inability to file a design before the expiry of the 6-month grace period due to the CIPC office closure, may erode the absolute novelty in such designs. It is uncertain whether the *dies non* status would offer relief, and if contested by a third party, the IP rights holder may well find himself in a position of having to defend his/her rights in legal proceedings.
 - c. In the case of trade marks, many IP owners have worldwide filing strategies in order to ensure that their protected trade marks are filed on the same day in all the International territories of interest. The purpose behind such strategies is to mitigate against third parties filing applications for registration of the same or confusingly similar mark in territories where the IP rights holder does not, at the time of filing, have established prior use. As a result of the delays in filing the trade mark applications in South Africa, due to the closure of the CIPC, applications may be filed

by both the IP rights holder and another third party for the same mark, on the same day when the office reopens.

- d. Similarly, with all filing of applications being delayed for the period of the CIPC closure, all instructions received during the period of closure, will have to be filed as soon as the office reopens. In considering this position, the same filing date will have to be provided in respect of all applications. If one considers the amount of applications received during the course of a one month period, the effect of having all these applications processed with the same filing date, it is reasonable to expect that a substantial number of these applications may be in conflict with one another. This position will severely prejudice those IP rights holder, who had instructed or intended to file first, as they would not be in a position to rely on the earlier filing date in the event that they were in a position to file the application during the period of the CIPC office closure.
- e. In the case of patent applications, publication must occur within 3 months of acceptance. If this three month deadline falls within the *dies non* period (25 March 2020 to 30 April 2020), it will roll forward to the next business day, i.e., 4 May 2020. Accordingly, if the next patent Journal is published on or before 4 May 2020, then no problem. If, however the patent journal is published after this date, there is a concern as the *dies non* principle does not take into account intervals like the Patent Journal publication dates. While one would hope that the deadline for the action (publication) would roll forward to the next available event for that action (Patent Journal publication), it doesn't, it only rolls forward to the next business day. The strict 3-month publication term was the decision expressed in that *Bone S.A.* case. It is uncertain whether an official practice note can override a High Court judgement.

12. In considering the above highlighted concerns, it is our view that the following are essential services in the preservation and maintenance of IP rights in South Africa (hereinafter referred to as "essential IP services"), which are required to be urgently reinstated in the lockdown situation in order to secure the rights of IP holders and to mitigate against the possible prejudice faced as a result of the CIPC office closure:

- a. New Patent, Design and Trade Mark applications.
- b. Access to information, which includes access to the electronic IP database.
- c. Conducting of searches, which are conducted as a precursor to the filing of applications.
- d. Patent Journal publication

13. Furthermore, the reinstatement of the following submissions to CIPC, although not constituting essential services, will support the continued ability of the IP Industry to work remotely in order to lessen and mitigate the economic burden faced as a result of the National lockdown (hereinafter referred to as "necessary services"):

- a. Filing of priority/supporting documents.
- b. Late lodged documents.
- c. Filing of powers of attorneys.
- d. Official action compliance letters.
- e. Extension of opposition period.
- f. Applications for amendments.
- g. Applications for changes.
- h. Applications for renewals.

14. It is our understanding that one of the factors considered in the decision for full closure of the office and the extension of the office closure until 30 April 2020, was to prevent backlogs and to provide the CIPC staff some time to catch-up on emails and applications lodged on or before 24 March 2020, which could not be processed before the CIPC office closure. We are of the view that the decision that *'No requests nor e-mails will be attended to, processed, or responded to'* does not provide any reprieve to the CIPC staff, as they will in any event be flooded with emails and requests within the first day or two after the CIPC office reopens. Although we understand that attendances and processing of enquiries sent via email during the period of national lockdown cannot be guaranteed, we submit that the CIPC Users should still be able submit the email requests during lockdown.
15. In the President's address on Monday, 23 March 2020, it was stated that firms that are able to continue their operations remotely should do so. The SAIPL members have implemented measures to ensure that the IP industry in South Africa can work remotely, in order to mitigate the economic impact this may have on the IP law firms, their staff and of course the country as a whole.
16. In addressing the nation, the President furthermore highlighted that our country finds itself confronted not only by a virus that has infected more than a quarter of a million people across the globe, but also by the prospects of a very deep economic recession that will cause businesses to close and many people to lose their jobs. Government, working together with business, are putting in place measures to mitigate the economic impact both of this disease and of our economic response to it.
17. Through a cooperative and supportive approach between the CIPC and the SAIPL, representing a substantial number of the CIPC Users and the IP rights holders they represent both locally and internationally, we believe we can similarly implement a set of interventions that will help cushion our society from these economic difficulties, which falls within the requirements of the national lockdown.
18. We appreciate that a substantial part of the CIPC services require human intervention, and not all of the staff of the CIPC are in a position to work or continue with their functions remotely during the period of lockdown.
19. We appreciate that the e-filing platform requires 24/7 maintenance and support, which does not constitute *'essential services'* in terms of the Lockdown Regulations and as such is not

available during the period of the national lockdown. In any event, we would not want to put the people in charge of this system at risk.

20. As such, SAIPL and its members have considered various options and workable solutions for your kind consideration that would assist in the continued functioning of key IP services in South Africa during the period of lockdown, which services can be conducted remotely and/or with little human intervention of the CIPC staff members.
21. We hereby formally propose the following measures for consideration and implementation by the CIPC during the period of National lockdown, which, if implemented, will ensure that the applicants' priority rights and IP rights are not placed in jeopardy during the lockdown. These measures will furthermore assist the IP industry to ensure that we are still economically active during the lockdown and ensure that staff receive their salaries:
 - 21.1 **Consideration of the reduction of period of CIPC Office closure:** The period of closure of the CIPC to the public is brought in line with the 21-day national lockdown, and reduced from 30 April 2020 to midnight of Thursday, 16 April 2020.
 - 21.2 **Filing of new applications:** That users are able to lodge applications electronically via email in order to confirm and provide a priority date and used as the filing date, once the e-filing system is reinstated. This system would benefit both the users of e-filing and manual filing systems:
 - a. Once CIPC is open to the public and the e-filing systems are operation, the applications can thereafter be filed either electronically or manually as is usual practice.
 - b. CIPC Users undertake that any applications filed on opening of the CIPC office will be identical to those as lodged electronically by email.
 - c. In cases where amendments or improvements have been made, the original application lodged electronically by email is to be withdrawn and the new application filed.
 - d. The filing date of these applications will be processed by the CIPC once the office reopens, with the priority date being deemed to be the date of the email filing of the application.
 - e. In the event that you are concerned about the volumes upon reopening of the CIPC office, consideration could be given to a temporary antedating provision, which could use proof of the earlier email submission as evidence.
 - 21.3 **Reinstatement of requests sent by email:** Confirmation that users will be able to submit emails for ONLY specific and approved submissions and attendances, (as suggested in para. 12 and 13 above), with the understanding that the submissions will be dated once the *dies non* ends:

- a. All emails sent to these addresses will have delivery and read receipts activated as the delivery receipts or delivery failure notifications will be critical to prove submission at a later stage.
- b. As users will not be able to e-mail signed forms, we would like to propose that for the documents that are lodged by e-mail, pdf signatures be accepted.
- c. In order to avoid a situation where the designated mailboxes reach their capacity limits during the lockdown, we would like to propose that simply the relevant P Forms, D Forms and TM Forms be submitted by e-mail, with the understanding that the originally signed Forms together with the attachments will follow electronically once e-filing opens, alternatively in paper format once the CIPC reopens. We propose that we adhere to the requirements in respect of the relevant Acts and Regulations as far as possible. For example, a provisional patent application will have to be accompanied by a provisional specification, otherwise there will be no way of proving that the subject matter is entitled to the priority date at a later stage. The same probably goes for amendments and other actions that require documentary support.
- d. All CIPC Users will of course have to take responsibility for keeping record of all emails submitted to the various email addresses in such a way that the integrity of the emails and all their attachments can be proven if questioned.

21.4 Consideration be given to the creation of centralized and designated e-mail addresses: for use during the period of lockdown and closure of the CIPC office, to avoid these emails going to specific CIPC officials, for instance:

- a. patentnewapplications@cipc.co.za; designnewapplications@cipc.co.za; trademarknewapplications@cipc.co.za
- b. patentmaintenance@cipc.co.za; designmaintenance@cipc.co.za; trademarkmaintenance@cipc.co.za
- c. patentacceptexam@cipc.co.za
- d. patentamendments@cipc.co.za; designamendments@cipc.co.za; trademarkamendments@cipc.co.za
- e. patentchanges@cipc.co.za; designchanges@cipc.co.za; trademarkchanges@cipc.co.za
- f. patentrenewals@cipc.co.za; designrenewals@cipc.co.za; trademarkrenewals@cipc.co.za

21.5 We appreciate that there simply may not be time to effect these changes and/or create these email addresses, as proposed in para 21.4 above. As such, an alternative recommendation, is that emails for the approved services will be channelled and sent in accordance with the CIPC Contact lists to ensure that the emails are directed to the correct official and/or such email addresses as identified by the CIPC for specific

actions. By way of example, we refer to the list for actions in respect of Patents & Designs, which can be extended to Trade Marks, as outlined in Annexure "A" hereto.

- 21.6 **Reinstatement of access to the electronic IP records and database:** In order to obtain and/or verify IP rights details and in compliance with the CIPC policy on access to information.
- 21.7 **Reinstatement of the Online searching function:** With regard to trade mark searches, we understand that these require human intervention to be fully functional. However, a compromise should at least be reached to enable practitioners to conduct online searches via the portal.
- 22 We are aware that the 21-day national lockdown will result in backlogs in processing of applications and submissions once the CIPC Office reopens to the public. It is in the best interest of all stakeholders to attend to the backlog of matters as soon as possible. As in the past, the SAIPL is available to support and assist the CIPC in any way in order to effectively and quickly deal with the backlogs created as a result of the national lockdown. As such, during this period of lockdown, we can jointly consider possible support and assistance measures that can be arranged and implemented as quickly as possible after the opening of the CIPC office in order to provide the CIPC office with the support it may require to get back to the position of business as usual.
- 23 We acknowledge that our requests exceed the essential IP services identified herein, and in the event that all our requests cannot be entertained as a result of the limitations in the practice requirements of the CIPC, we request that consideration is at least given to the proposed actions relating to the identified essential IP services.
- 24 As time is of the essence, we would appreciate it if you can provide a formal response to our recommendations as soon as possible, and preferably by **Tuesday, 31 March 2020**, with a view to the accepted and approved IP services being reinstated from **1 April 2020**, in line with the additional electronic services relating to companies, close corporations and co-operatives due to resume on the 1 April 2020, or as soon as reasonably possible thereafter.

Yours faithfully,



Vanessa Ferguson
SAIPL President

ANNEXURE "A"

SUBMISSION OF OFFICIAL FORMS (ONLY) DURING NATIONAL LOCK DOWN

1. New Patent and Design applications
 - a. New Patent Applications – Form P1 and Form P25 to lmalebane@cipc.co.za
 - b. New Design Applications – Form D1 to tjacoba@cipc.co.za

2. Request for Late Lodgement of Documents
 - a. Patent Late Lodged Documents – Form P5 to ckutama@cipc.co.za
 - b. Design Late Lodged Documents – Form D5 to tjacoba@cipc.co.za

3. Requests for Extensions
 - a. Patent Extensions – Form P4 to ckutama@cipc.co.za
 - b. Design Extensions – Form D4 to tjacoba@cipc.co.za

4. Requests for Maintenance
 - a. Patent Amendments – Form P12, P13 and P4 to athulare@cipc.co.za
 - b. Design Amendments - Form D12 and D4 to tjacoba@cipc.co.za

5. Requests for Changes
 - a. Patent Changes – Form P16 and P4 to athulare@cipc.co.za
 - b. Design Changes – Form D7 and D4 to tjacoba@cipc.co.za

6. Requests for Renewals
 - a. Patent Renewals - Form P10 to lmdingi@cipc.co.za
 - b. Design Renewals – Form D10 to tjacoba@cipc.co.za