



REPUBLIC OF KENYA

THE INDUSTRIAL PROPERTY ACT, 2001

IPT CASE NO. 69 OF 2014

IN THE MATTER OF A REQUEST UNDER SECTION 103(1) AND (2) OF THE INDUSTRIAL PROPERTY ACT, 2001 FOR THE REVOCATION OR INVALIDATION OF AN INDUSTRIAL DESIGN REGISTRATION BY SAFEPACK LIMITED (RESPONDENT) BY FINELINE INDUSTRIES LIMITED (APPLICANT)

AND

IN THE MATTER OF AN APPLICATION FOR EXTENSION OF TIME WITHIN WHICH TO APPLY FOR THE REVOCATION OR INVALIDATION OF AN INDUSTRIAL DESIGN REGISTRATION

AND

IN THE MATTER OF INDUSTRIAL DESIGN NUMBER 646("OFFENDING DESIGN") REGISTERED PM 13/12/2011

FINELINE INDUSTRIES LIMITED.....REQUESTOR

VERSUS

SAFEPACK LIMITED.....RESPONDENT

RULING

The matter before us is an application dated and filed on 19th December, 2014 for extension of time limit for the revocation or invalidation of an industrial design registration, Design Number 646. The requestor also filed a supporting affidavit signed by its director, one P.P. Taneja together with the said application (Form IPT 21).

In the said application the requestor stated the grounds in support thereof as follows:-

- 1) Extension of time to enable us lodge Form IPT 14 together with a Statement of Case to challenge the registration of industrial design number 646 under Section 103 of the Industrial Property Act.
- 2) The failure to challenge the registration in time was inadvertent as the publication of the industrial design number 646 in the Industrial Property Journal did not come to the attention of the Applicant.
- 3) There is a time limitation of nine (9) months from the date of publication of an industrial design under Section 103 (2) of the Industrial Property Act, 2001 and this extension of time is necessary.
- 4) The Constitution of Kenya requires that justice be administered without undue regard to procedural technicalities.
- 5) The Industrial Property Tribunal has discretion to extend time under Rule 33 (1) & (4) of the Industrial Property Rules even though the time limit has expired.

In its supporting affidavit the requestor state that it had not been aware of the registration of the Industrial Design number 646 until the receipt by its Advocates, M/S Coulson Harney of a letter dated 5th December, 2015 from the respondent's Advocate, M/s Kaplan and Stratton Advocates. Upon receipt of the letter the requestor instructed its Advocates to take over the matter on its behalf.

The Requestor, through its said Advocates responded on 17th December, 2014 and on 19th December, 2014 filed this application. On the same date it also filed form IPT 14, an application for revocation or invalidation of the respondents design number 646. In this application the Requestor seeks the revocation or invalidation of the said design on the ground that

“There is no novelty in the alleged design in that the pattern of twisting vertical ribs from the top of the shoulder to the bottom of the twist is a feature of functionality, without which the bottle would not be fit for purpose”.

In its statement of case the requestor stated that it is an “interested person aggrieved by the entry through registration of the Industrial Design number 646 (the “offending Design”) on the register, within the meaning of and for the purposes of section 103(1) and (2) of the Industrial Property Act 2001 (the “Act”)...”. It goes on to state that the feature claimed to novelty is used globally and locally by manufacturers of plastic bottles around the world and therefore being functional it would not merit the grant of design rights under the Act and that the same was issued in error.

The respondent filed its Reply/Counter statement together with a Statutory Declaration on 13th February 2015.

It opposed the application for extension of time on the following grounds:-

- 1) The request for extension of time is incurably time-barred and the Industrial Property Tribunal has no powers or discretion to extend the time to allow the Requestor to file proceedings to revoke registered design No.646.
- 2) The merits of ground of revocation advanced by the Requestor are irrelevant and extraneous and should not and ought not to be taken into account by the IP Tribunal in determining the Requestor's application Form IPT 21.
- 3) Further without prejudice to the foregoing, the delay of 2 years and 3 months by the Requestor in filing applications Form IPT 21 and IPT 14 is unreasonable, inordinate and proves lack of exercise of due and proper diligence on the part of the Requestor.
- 4) The Requestor has not given any reasons why it could not have filed the present applications Form IPT 21 and IPT 14 promptly and earlier to justify the grant of extension of time.
- 5) The present application form IPT 21 and serves no purpose and is superfluous as the Requestor has already filed the application Form IPT 14 on 19th December, 2014 without the leave of the IP Tribunal which application is incompetent, and abuse of the court process, incurably defective and therefore should be struck out in any case.

Further to the grounds Ms Catherine Wangari Karanja the sales and Administration Manager of the Respondent stated in its Statutory Declaration that the delay of 2 years and 3 months is inordinate and demonstrates lack of proper and due diligence on the part of the Requestor.

It is the Respondent's case that the Requestor's application form IPT 14 and the supporting statements of case both dated 19th December, 2014 is incompetent and incurably defective and should be struck out as it was filed out of time.

The Requestor submitted that it first became aware of the design when it received a letter of "cease and desist" dated 5th December, 2014 from the Respondent's lawyer. That upon receipt of the said letter it responded on 17th December, 2014 and filed the application for extension on 19th December, 2014. It states that it took expeditious steps to challenge the design immediately it became aware of the existence of the same.

The application was made under section 103 (2) of the Industrial Property Act, 200, hereinafter referred to as the "the Act". The Requestor submits this under Rule 33 (1) of the Rules the Tribunal has jurisdiction to extend time limit, (a) under the rules and (b) under the Act or regulations for making an appeal. In its view, the word 'or' is conjunctive and used to link alternative for two independent provisions. It submits that the tribunal has power to extend time under the Act and therefore its application is properly before the Tribunal.

It relied on the decision of the Tribunal in Industrial Property case Number 57 of 2008, CHEMSERVE CLEANING SERVICES LTD -vs- SANITARY SERVICES (EAST AFRICA) LTD where it was held that the applicant must show the steps it took and its conduct after it became aware of the existence of the Industrial Design.

The requestor also submitted that under Section 103 (1) of the Act there is no time limit and that the time limit under Section 103 (2) can be extended under Rule 33(2) and relied on the CHEMSERVE case. It further submits that the power of the Tribunal to enlarge time is discretionary for good reasons shown. It states that the filing of main application for revocation together with the application for extension of time saves judicial time and is not prejudicial to the Respondent.

It is its argument that the filing of the Statutory Declaration was done pursuant to specific direction of the Tribunal's letter of 18th February, 2016 and that it gives the merits of the case which shows that it is not speculative and establishes an arguable case.

It relies on the Tribunal's decision in Industrial Design Application No. KE/ID/2010/001069, "CONTAINER IN THE NAME OF DYNAPLAS LTD, wherein the Tribunal held that apart from already being in the public domain the registrability of the wavy ribs would be contrary to the provisions of Section 84(2) by virtue of their functional nature.

The Requestor also submitted that under article 159(d) of the constitution, the Tribunal should determine the matter without regard to technicalities. It also relied on Article 40(5) and (6) of the constitution and argued that if the orders sought are not granted the offending design will remain.

In opposition, the Respondent relied, on its Notice of Motion together with the supporting affidavit filed on 16th March, 2016. Wherein it seeks orders that:-

- 1) Form IPT 14 application dated 19th December, 2014 and its accompanying Statement of Case filed by the Requestor at this Honourable Tribunal to revoke the Respondent's registered design No. 464 be struck out.
- 2) Paragraphs 6 and 7 of the affidavit in support of application for extension of time limit dated 19th December, 2014 sworn by P.P Taneja on behalf of the Requestor seeking extension of time to file revocation proceedings, be struck out.
- 3) The statutory declaration dated 15th April, 2015 sworn by P.P. Taneja on behalf of the Requestor responding to the Respondent's Counter-Statement dated 13th February, 2015 filed at this Honourable Tribunal, be struck out.

In submission the Respondent framed its issues as follows:-

- a) Whether the tribunal has jurisdiction to grant extension of time sought by the requestor.
- b) Whether IPT Rule 33(1) or any other Rules in general give the Requestor the right to file a Reply to the Respondent's Counter Statement or right to supply evidence to support its application for extension.
- c) Whether the IPT Rules require an applicant to establish an arguable case as claimed by the Requestor through introduction of evidence for the tribunal to give extension of time.
- d) Whether the Requestor is guilty of lack of exercise of diligence and inordinate delay.
- e) Whether the application dated 19th December, 2014 is void *ab initio* for having been filed without the leave of the tribunal.
- f) Whether the time limit of Nine months under Section 103 (2) of IPT is a procedural technicality.

The Respondent submitted that in order for the tribunal to be said to have powers to extend time, the Requestor must fulfill the conditions in Rule 33 (1) (a) and (b). It submits that the time limit is for time in the Rules and for Appeal and that the word 'or' is not conjunctive.

It submits that the time limit of nine months is set under Section (103) (2) and not by the IPT Rules and therefore the time is fixed and the Requestor does not qualify for extension.

It submits that the tribunal has no powers to extend time and relies on a decision of the tribunal IPT No. 54 of 2007 FRIENDSHIP CONTAINER MANUFACTURERS LTD

-vs- YASH PLASTOMET PVT LTD – wherein the tribunal held that the Rules do not give power to the tribunal to extend time limit.

The Respondent further submitted that the nine months period in the Act is not a procedural technicality. It also submitted that under Rule 33 (2) no evidence is required in an application for extension of time and therefore a party does not need to establish a *prima facie* case.

The main issue in this matter is whether or not we have jurisdiction to extend the time limit within which the Requestor can make an application for revocation or invalidation of Industrial Design No. 646. In addressing the issue we look at Rule 33 of the Industrial Property Tribunal Rules, 2002 which reads:-

“The Tribunal may extend, on such conditions as it may specify:-

- a) A time limit under these Rules, or
- b) A time limit under the Act or the Industrial Property Regulations, 2002 for making an appeal.

Sub rule (4) states that **“An application for an extension of time limit may be made even though the time limit has expired.”**

The Requestor has indeed made an application for extension of time after the time limit has expired. The details of Industrial Design No. 646 were published by the Kenya Industrial Property Institute (KIPI) Journal on 31st December, 2011. The period of nine months therefore lapsed on 30th December, 2012 or thereabouts. The Requestor's application was filed on 19th December, 2014, slightly over two years from the date of publication. The Requestor stated in its pleadings and submissions that it was not aware of the said publication and only came to learn about the registration of the design upon receipt of the Respondent's Advocate's letter of “cease of desist” aforementioned. A plain reading of Rule 33 of the Rules show that time can only be extended under the Rules or under the Act for making an appeal. The time limit sought by the Requestor is under the Act Section 103(2).

The Section reads'

“An interested person may within a period of Nine months from the date of publication of the grant of a patent, utility model or industrial design, request the Tribunal to revoke or invalidate the patent, utility model or industrial design”.

In order to address this issue of whether or not we have jurisdiction to extend time we have to look at the intention of the drafters of the Act. Under Section 103(2) it is envisaged that there may be need to file an application for revocation after publication and under Rule 33 it is envisaged that the tribunal may extend the time to file this application. The issue now is, are our hands tied to the nine months period?. Section 59 of the Interpretation and General Provisions Act, Chapter 2 Laws of Kenya, reads:

“ Where in a written law a time is prescribed for doing an act or taking a proceeding, and power is given to a court or other authority to extend that time, then, unless a contrary intention appears, the power may be exercised by the court or other authority although the application for extension is not made until after the expiration of the time prescribed.”

This provision gives power to the courts to extend time and it is our opinion that we do have the authority to extend time in the instant case.

Section 58 of the said Act provides that where no time is prescribed or allowed within which anything shall be done; such thing shall be done without unreasonable delay, and as often as due occasion arises. The Requester submitted that it was not aware of the registration of the design until it received the 'Cease and desist' letter and immediately it learnt of the registration of the design it acted swiftly and filed the present application. We are persuaded that the Requestor acted without unreasonable delay after it became aware of the design. With respect we do not agree with the position held by the tribunal in case No. 54 of 2007 FRIENDSHIP CONTAINER MANUFACTURERS LTD –VS- YASH PLASTOMET PVT LTD where the tribunal held that it did not have jurisdiction to extend time.

The next issue is what happens to the Requestors application Form IPT 14 dated 19th December, 2014. This application is brought under Section 103(1) of the Act which states that **“Any interested person may in proceedings instituted by him against the owner of a patent, or a registered industrial design or in proceedings instituted against him by the owner, request the Tribunal to revoke or invalidate the patent, utility model or industrial design registration.”**

In our view, the subsection is independent of Section 103 (2) and stands on its own. There is no time limit provided and any interested party can make the application at any time. This position was held in tribunal case under 57 of 2008, CHEMSERVE CLEANING SERVICES LIMITED –VS- SANITRAY SERVICES (EAST AFRICA) LIMITED where the tribunal on Section 103(1) and Section 103(2) said, **“These two provisions in our view presents two scenarios under which a request for revocation of a patent, utility model, industrial design can be made. One under section 103(1) is where there are proceedings instituted and the other under Section 103(2) within nine months of publication of grant of a patent, utility model or industrial design. It is noteworthy that the two sections are not**

continuous in application in the sense that each stands on its own. Whereas in section 103(1), the Act that initiates the right to request for revocation is the institution and pendency of proceedings, under section 103(2) the act is the publication of the grant. No time limit is given under section 103(1).....”.

It is our considered view that the Requestor’s application for revocation is properly filed and should be heard on its merits. Although the Respondent’s counsel urged us not to consider the evidence filed by the Requestor it is a fact that the same is on record and we cannot close our eyes on it. A quick glance of the supporting documents show that there are serious issues raised touching on novelty and the possibility of the design not being new in Kenya and around the world. Such allegations are weighty and it is only fair that proper evidence be brought before us and parties heard to enable us arrive at a just decision in the matter. Section 86 (2) of the Act reads **“An industrial design shall be deemed to be new if it has not been described to the public, anywhere in the world, by publication in tangible form o,r in Kenya, by use or in any other way, prior to the filing date or, where applicable the priority date of the application for registration.”**

It is in our view important to determine whether design number 646 is new or not and that it can only be done during, the hearing of the Requestors application. In any event the Respondent shall not suffer prejudice if the application is to be heard and determined on its merits as it shall have an opportunity to also bring evidence and cross examine the Requestor. It has been held time and again by the courts that the overriding objective of the court is to focus on substantive justice while exercising judicial discretion. This was held in many cases including ADDIRAHMAN ABDI also known as ABDIRAHMAN MUHAMUD ABDI -vs- SAFI PETROLEUM PRODUCTS LTD & 6 OTHERS, Civil Application No. NAI 173 of 2010.

Further in Civil Appeal 37 of 2013 SONY HOLDINGS LTD AND THE REGISTRAR OF TRADE MARKS, The court of Appeal held that,

“ We are satisfied that the Registrar judicially and fairly exercised his discretion to extend time .He properly directed himself on the substance of the notice of opposition so that the matter in controversy may be heard and determined with the benefit of evidence. The alternative, suggested by the appellant; namely to terminate the opposition proceedings on a technical procedural point would be ineffectual, as the registration of the appellants trademarks...”

In the circumstances we allow the Requestors application for extension of time dated 19th December, 2014 and order that the application Form IPT 14 dated 19th December, 2014 proceed for hearing. The Respondent shall file its Reply together with written submissions, if any, within Forty Five days from today. Consequently the Respondent's application dated 15th March, 2016 is dismissed. Each party shall bear its costs.

Read and delivered in open court this **9th day of December, 2016** in the presence of:

Mr. Kuyo for the Requestor and Ms. Neema h/b for Mr. Ikimire for the Respondent.

HASSAN N. LAKICHA - CHAIRMAN

BROWN M. KAIRARIA - MEMBER

DAVID K. KIPLAGAT - MEMBER

GODFREY OWINO - MEMBER

BRETTAH MUTHURI - MEMBER