

IN THE HIGH COURT OF SOUTH AFRICA

GAUTENG DIVISION, PRETORIA

DELETE WHICHEVER IS NOT APPLICABLE

- (1) REPORTABLE: **NO**
- (2) OF INTEREST TO OTHER JUDGES: **NO**
- (3) REVISED: NO

Date: 27 JUNE 2022 Signature:

Case Number: 47692/2021

In the matter between:

ENERGY BEVERAGES LLC

And

HERBAL LIVING (PTY) LTD

THE REGISTRAR OF TRADE MARKS

Second Respondent

First Respondent

Applicant

JUDGMENT

NYATHI J

Introduction

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- [1] In this application the Applicant seeks condonation of the late filing of an opposition to a trade mark application.
- [2] This application was instituted before the Registrar of Trade Marks who referred it to this Court for adjudication in terms of section 59(2) of the Trade Marks Act 194 of 1993 as amended.
- [3] Regulation 52(4) of the Trade Marks Act allows for the condonation of non-compliance with the Regulations on good cause shown.
- [4] The applicant submits that it has shown good cause for the condonation sought because:
 - 4.1 In context, the extent of the delay is not inordinate.
 - 4.2 The applicant has provided an adequate explanation for the delay.
 - 4.3 The delay was not mala fide and was not the result of a reckless disregard for the procedure relating to trade mark oppositions.
 - 4.4 Condonation will not cause prejudice to the respondent.
 - 4.5 The opposition to the trade mark application is not ill- founded and, rather, has a reasonable prospect of success.
- [5] The Relief sought is thus:
 - 5.1 The applicant requests that the filing of its opposition against trade mark application no. 2016/33272 POWER ROCK in class 30 on 19 December 2018 be condoned.
- [6] The Respondent's contentions in opposing the application are:
 - 6.1 The Applicant filed it opposition 9 months after it commenced preparation of it.

- 6.2 The Applicant has not provided a full and accurate explanation of the delay and the evidence reveals a deliberate decision not to file the opposition, despite it being finalised three months earlier.
- 6.3 The Applicant filed its opposition 9 months after it commenced preparation of it.
- 6.4 The Applicant's explanation is unsatisfactory and unacceptable and is coupled with the flagrant non-observance of the rules and the duties of a litigant seeking condonation, as a result it is not in the interests of justice to grant the application.
- [7] The First Respondent contends that the application stands to be dismissed with costs.

Background

- [8] Section 21 of the Trade Marks Act 194 of 1993 provides that any interested person may oppose a trade mark application within three months of the advertisement of that trade mark application.
- [9] The applicant has opposed trade mark application 2016/33272 POWER ROCK in class 30 in the name of the respondent ("the trade mark application")
- [10] The trade mark application was advertised on 20 December 2017, accordingly the original opposition deadline was 20 March 2018. However, the applicant obtained an initial extension of the opposition in terms of regulation 52(1) of the Trade Mark Regulations which extended the opposition term until 20 June 2018.

[11] This is an application for a second extension of the opposition deadline to 20 September 2018.

The common cause facts

- [12] The time-frames which are pivotal in this matter are common cause, even though the reasons behind some of them may not be. For the record, the chronology of events which is gleaned from the joint practice note of the parties and summarised (with dates emphasised for ease of reference) hereunder as follows:
 - 12.1 **20 December 2017** the Trade Mark Application is advertised for opposition purposes.
 - 12.2 **20 March 2018** the Applicant obtains an extension of the opposition term in respect of the Trade Mark Application until **20 June 2018.**
 - 12.3 26 April 2018 the First Respondent's attorneys request theApplicant's grounds of opposition to the Trade Mark Application.
 - 12.4 8 June 2018 the Applicant's attorneys send a letter of demand, including its grounds of review to the First Respondent's attorneys. These demands were rejected on 11 June 2018.
 - 12.5 20 June 2018 the Applicant's attorneys request the First Respondent to agree to an extension of the opposition term until 20 August 2018. This was rejected on the same day.

- 12.6 **20 June 2018** the Applicant's attorney applies to the Registrar of Trade Marks for an extension of the opposition term until **20** September 2018.
- 12.7 **20 September 2018** the Applicant provides a signed founding affidavit in its opposition of the Trade Mark Application to its attorneys.
- 12.8 **20 September 2018** the Applicant's attorneys request the Registrar of Trade Marks to allocate a hearing date for its extension of time application.
- 12.9 13 December 2018 the Registrar of Trade Marks allocates 07
 February 2019 as the hearing date for the Applicant's extension of time application.
- 12.10 **19 December 2018** the Applicant files its opposition to the Trade Mark Application.
- 12.11 **11 January 2019** the First Respondent requests that the opposition proceedings be stayed pending the outcome of the extension of time application. This was accepted by **4 February 2019**.
- 12.12 **4 February 2019** the Applicant submits <u>heads of argument</u> which seek to extend the opposition term as <u>further and alternative</u> <u>relief</u>. (my emphasis).
- 12.13 **5 February 2019** First Respondent's attorneys object to the further and alternative relief and request the matter be removed from the roll.
- 12.14 6 February 2019 the Registrar of Trade Marks removes the

matter from her roll.

- 12.15 **28 February 2019** the Applicant files an amended notice of motion and supplementary founding affidavit requesting the condonation of the filing of its opposition to the Trade Mark Application on **19 December 2018.**
- 12.16. 9 May 2019 the First Respondent files its answering affidavit.18
- 12.17 **10 June 2019** the Applicant files its replying affidavit.19
- 12.18 **16 July 2021** The Registrar of Trade Mark refers this matter to this Court.
- [13] The Registrar of Trade Marks when removing the matter from her roll directed that she "will await the appropriate condonation application from the opponent to address the time lapse between 20/06/2018 i.e. the date of the last extension of time, and 20/12/2018 being the date upon which the form TM3 and founding affidavit was lodged."
- [14] Prior to the matter being removed from the roll of the Registrar of Trade Marks and referred to this court, the Applicant had submitted heads of argument which sought to extend the opposition term as "further and alternative relief." As the matter is before me in the same format, I propose to deal with that issue as follows:
 - 14.1 It is trite that allegations are not introduced through heads of argument but by way of pleadings properly filed.
 - 14.2 The utility of the claim for further and alternative relief has been questioned many years ago as an archaic legal relic. In *Hirschowitz*

v Hirschowitz 1965 (3) *SA* 407 (*W*) Vieyra J held in motion proceedings that:

"The prayer for alternative relief is to my mind, in modern practice, redundant and mere verbiage. Whatever the court can validly be asked to order on papers as framed, can still be asked without its presence..."

That prayer is thus ill-conceived and cannot succeed.

Extension of time and condonation under the trade marks act

- [15] Section 21 of the Trade Marks Act requires that an opposition to a trade mark application must be filed within three months of the advertisement of the application in the Patents Journal, or such additional time as the Registrar may allow.
- [16] Regulation 52(1) of the Trade Marks Regulations provides that any person who intends to oppose a trade mark application may, on notice, obtain a three-month extension of the initial three-month opposition term.
- [17] Regulation 52(3) provides that the Registrar may, on good cause shown, grant an extension of any time period provided by the Regulations, before or after the expiry of that time period.
- [18] Regulation 52(4) provides that the Registrar may, on good cause shown, condone any non-compliance with the Trade Mark Regulations.
- [19] A decision on whether or not to grant an extension on the basis of good cause involves a discretion which must be exercised in the light of the merits of the matter as a whole. In *Grootboom v National Prosecuting*

*Authority and Another*¹ ("*Grootboom*") the Constitutional court held that condoning a party's non-compliance with the rules of court is an indulgence. The court seized with the matter has a discretion whether to grant condonation or not.²

[20] Delivering a unanimous judgment in Grootboom, Justice Bosielo J observed:³

"It is now trite that condonation cannot be had for the mere asking. A party seeking condonation must make out a case entitling it to the court's indulgence. It must show sufficient cause. This requires a party to give a full explanation for the non-compliance with the rules or court's directions. Of great significance, the explanation must be reasonable enough to excuse the default."

- [21] The ultimate standard to be considered is whether allowing the extension would be in <u>the interests of justice</u>.
- [22] When exercising this discretion, the following factors should be considered:⁴
 - (a) The degree of non-compliance;
 - (b) The adequacy of the explanation;
 - (c) The importance of the case;
 - (d) The prospects of success;
 - (e) The respondent's interest in finality;
 - (f) The convenience of the Court; and

¹ 2014 (2) SA 68 (CC)

² Grootboom v NPA at para 20.

³ Grootboom at para 23, referring to Von Abo v President of the Republic of South Africa [2009] ZACC 15; 2009 (5) SA 345 (CC) at para 20 and Van Wyk below (para 23) at para 22

⁴ Grootboom at para 22.

- (g) The avoidance of delays.
- [23] In Van Wyk v Unitas Hospital and Another⁵ the Constitutional Court held that an applicant for condonation must give a full explanation for the delay. In addition, the explanation must cover the entire period of delay. What is more, the explanation given must be reasonable.
- [24] Apart from traversing the merits of the application to oppose the trade mark registration in thorough detail and submitting an impressive list of authorities, again on the merits of the underlying matter, Counsel for the applicant was very scanty in giving any explanation or reason for the delay as envisaged in *Grootboom* and *Van Wyk* above.
- [25] I have perused the applicant's heads of argument with the submissions and can say that the legal requirements and the procedural history of the matter are adequately captured. No reason or explanation as to the cause of the actual delay in prosecuting the application to oppose the registration of the trade mark in question is given at all. The period 20 June 2018 to 20 December 2018 remains unaccounted for.
- [26] While the prospects of success in the opposition application may be a relevant consideration in certain instances, it is not the decisive one. In certain circumstances this enquiry has been dispensed with. Traversing the merits in order to assess the prospects of success is a futile exercise in this application.
- [27] The futility is akin to the situation in *Blumenthal and Another v Thomson N.O. and Another*⁶ where Joubert JA held:

"...As I have said, the facts in casu show that the Rules were flagrantly breached; nor is there an acceptable explanation for such breaches. In

⁵ 2008 (2) SA 472 (CC).

⁶ Blumenthal and Another v Thomson N.O. and Another 1994 (2) SA 118 (A)

these circumstances it is unnecessary to make an assessment of the prospects of success since the cumulative effect of the factors already mentioned including the first respondent's interest in the finality of the Court's ... judgment is such as to render the application for condonation unworthy of consideration"

Conclusion

- [28] The Applicant's purported explanation for the delay is factually unsatisfactory and unreasonable. The Applicant somehow decided not to act with expedition from the day the Application for registration was published in the Patent Journal. The application for extension was made on the very last day. Thereafter the Applicant's tardiness in this matter persisted, as if it was unconcerned with the filing of the opposition documents at all for a period of a further 3 months.
- [29] The prospects of success in the opposition are thus immaterial.
- [30] The Applicant has not made out a case for the relief sought. I therefore make the following order:

The application is dismissed with costs.

J.S. NYATHI JUDGE OF THE HIGH COURT GAUTENG DIVISION, PRETORIA

FOR THE APPLICANT: ADV. I. Learmonth

INSTRUCTED BY: ADAMS & ADAMS; SANDTON

c/o ADAMS & ADAMS PRETORIA Tel: (011)895 1011 Ref.: OT46422ZA00/DO/DVD/nb E-mail: daniel.olivier@adamsadams.co.za

FOR THE Respondents: Adv. L. Harilal

INSTRUCTED BY: SPOOR & FISHER; CAPE TOWN

c/o SPOOR & FISHER

CENTURION,

0157

Tel: 021 673 4441 Ref: LT3025831/JFR

E-mail: j.foster@spoor.com

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