



SOUTH AFRICA INCREASES FILING FEES 1ST JULY 2019; DISTINGUISHES BETWEEN CORPORATE & SMALL ENTITIES.

	Current Fee (ZAR)		New SMME Fee (ZAR)		New Corporate Entity Fee (ZAR)	
Filing a New South African Patent Application	590	8756.51 (\$)	590	8756.51 (\$)	1,100	16325.69 (\$)
Annual Renewal Fee for Patent	*135	2003.61 (\$)	*135	2003.61 (\$)	*1350	20036.08 (\$)
Filing a New South African Registered Design Application	240	3561.97 (\$)	240	3561.97 (\$)	540	8014.43 (\$)
Annual Renewal Fee for Registered Design	*100	1484.15 (\$)	*100	1484.15 (\$)	*1 000	14841.54 (\$)

**Please note that the renewal fee amount payable will vary slightly depending on the annuity year of the patent or design.*

*** Subject to currency exchange fluctuations.*

In a first, the Patent Office will now distinguish fees paid by corporate entities and small, medium and micro entities (SMME), with a significant increase for the former.

A corporate entity is defined as one that does not qualify as an SMME in terms of the National Small Business Amendment Act, which stipulates that an SMME must, together with its branches or subsidiaries have:

i) fewer than 100 employees (up to 200 in some industry sectors),
ii) a turnover of less than a predetermined amount (currently set at between ZAR 4 million and ZAR 50 million, depending on the industry sector), and iii) total gross assets (excluding fixed property) valued at between ZAR 2 million and ZAR 18 million, again, depending on the industry sector. To pay fees at the SMME level, a new Declaration of Entity Status Form (Form P27 for patents and Form D19 for designs) must be submitted.

Effective 1st July, the said form must also be lodged when renewing an existing patent or design. Failure to file the required form will result in the corporate entity rates being applied.

Our Recommendations:

We anticipate that a large number of applicants will qualify as "corporate entities", thus incurring the increased official fees from 1st July 2019. We therefore recommend that where possible, all renewal fees for their patents and designs be paid upfront, before that deadline, so as to benefit from the existing flat fees.

A News Alert from the Intellectual Property Practice of Jackson, Etti & Edu.

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