

TRADE MARKS ACT 1995

DECISION OF A DELEGATE OF THE REGISTRAR OF TRADE MARKS WITH REASONS

Re: Application by the opponent, Gemini Marine CC, for leave to serve further evidence in the matter of opposition to registration of trade mark applications 1102636, 1118049(12) - **GEMINI INFLATABLES, G GEMINI DEVICE** - filed in the name of Gemini Inflatables (Aust) Pty Ltd.

DELEGATE:	Claudia Murray
REPRESENTATION:	Opponent: Mr Sam Park of Sampark & Co, IP lawyers & trade mark attorneys. Applicant: Ms Cate Heyworth-Smith of counsel, instructed by TVP Law.
DECISION:	2009 ATMO 13 Section 52 oppositions: Applications under regulation 5.15 to serve further evidence – applications allowed – no award of costs.

Background

1. This is a decision with reasons in the matter of an application for leave to serve further evidence in two related opposition to registration proceedings. Gemini Inflatables (Aust) Pty Ltd, of Coomera, Queensland ('the applicant') filed trade mark application number 1102636 for the trade mark **GEMINI INFLATABLES** on 8 March 2006, and on 9 June 2006, filed trade mark application number 1118049 for the trade mark:



2. Both applications were filed in class 12 of the *Nice Classification of Goods and Services*, for the following goods: "Water vehicles and equipment; boats, including full inflatables, rigid inflatable boats and rigid buoyancy boats, their parts, components and accessories".

3. No grounds for rejection under the *Trade Marks Act 1995* ('the Act') were raised against the applications during examination. They were advertised as accepted for possible registration in the *Australian Official Journal of Trade Marks* on 6 July 2006 and 12 October 2006 respectively.
4. After obtaining three month extensions of time in both cases to do so, Gemini Marine CC, of Cape Town, Republic of South Africa ('the opponent'), filed notices of opposition to registration of the trade marks. Eleven grounds of opposition were listed in the notices.
5. Despite successfully requesting between six and nine months further extensions of time to serve and file evidence in support of the oppositions, the opponent allowed that time to elapse without providing its evidence. Mention was made in the extension requests of continuing negotiations towards an amicable resolution of the parties' differences, and the applicant did not object to these extensions to the evidence timetable. At the conclusion of the extended period and absent any evidence in support, the applicant chose not to respond to the notices of opposition with evidence in answer. In May 2008, it requested that a Registrar's delegate determine both oppositions on the written record.
6. It was only at this late juncture, with a delegate's decision upon the unsupported oppositions imminent, that the opponent's newly appointed attorney¹ urgently requested permission to serve further evidence in relation to both oppositions. He filed and served applications under regulation 5.15 for this purpose on 8 July 2008. By Statutory Declaration dated 21 July 2008, the applicant vigorously objected to the opponent's request.
7. By correspondence dated 29 July and 17 September 2008, officers from IP Australia indicated to the opponent that they proposed to refuse permission to serve the further evidence. The letters took issue both with the opponent's stated reasons for applying for permission to serve further evidence, and also with the relevance of the evidence itself. The opponent then exercised its right to be heard on the matter. The matter came before me, as a delegate of the Registrar of Trade Marks, for hearing in

¹ It should perhaps be noted here that both parties found it necessary to change their legal representation during the course of the oppositions.

Canberra on 2 December 2008. The opponent was represented in person by Mr Sam Park, of Sampark & Co, intellectual property lawyers and trade mark attorneys, Sydney. The applicant was also represented (via video link) at the hearing, by Ms Cate Heyworth-Smith of counsel, instructed by Mr Mike Prior of TVP Law, Southport, Queensland. Mr Mike Altman, Executive Director of the applicant, was also present.

Discussion

The legislation

8. The relevant provisions of regulation 5.15 state:

5.15 Extension of period to serve evidence and service of further evidence

- (1) A party to the opposition proceedings may apply to the Registrar:
...
 - (b) for permission to serve a copy of further evidence on the other party.
- (2) The Registrar may grant an application on reasonable terms specified by the Registrar.
- (3) The Registrar must not grant an application unless the Registrar:
 - (a) is reasonably satisfied that the applicant has served a copy of the application, and of any documents accompanying the application, on the other party; and
 - (b) has given the parties a reasonable opportunity to make representations concerning the application; and
 - (c) is reasonably satisfied that:
...
 - (ii) in the case of an application to which paragraph (1) (b) applies — permission to serve a copy of further evidence;
is appropriate.
- (4) For the purposes of paragraph (3) (b), the representations may be made in writing or at a hearing or by such other means as the Registrar reasonably allows.

Evidence and submissions

9. Mr Park's submissions in support of the opponent's request to serve further evidence listed the evidence upon which the opponent now seeks to rely. Copies of this evidence have been provided to the office as attachments to the opponent's request for permission to serve further evidence, and supporting submissions, and have been

served upon the applicant. In light of Mr Park's concern that some confusion may have occurred in relation to the exact nature of the evidence at issue here, I have reproduced his description of the evidence in full below:

ITEM	Description
ANNEXURE A of SAMPARK & CO letter of 22 July 2008 filed in these matters	An executed Distribution Agreement dated 5 April 2002 (effective from 1 July 2001) between the opponent and the applicant as the distributor for the opponent for GEMINI branded boats in Australia.
ANNEXURE B of SAMPARK & CO letter of 22 July 2008 filed in these matters	An executed Distribution Agreement dated 2 June 1995 between the opponent and Gemini South Pacific Pty Ltd [ACN 066 698 682] where Gemini South Pacific Pty Ltd [ACN 066 698 682] is the appointed distributor for the opponent for GEMINI branded boats in Australia and the agreement was executed by Gregory Ernst James a director of Gemini South Pacific Pty Ltd, who is also a director and shareholder of the applicant.
ANNEXURE C of SAMPARK & CO letter of 22 July 2008 filed in these matters	An extract of the South African trade mark register for the GEMINI trade mark, number 1990/02096 registered to the opponent
ANNEXURE D of SAMPARK & CO letter of 22 July 2008 filed in these matters	An extract of the South African trade mark register for the stylised GEMINI trade mark, number 1992/01140 registered to the opponent
ANNEXURE A of SAMPARK & CO letter of 19 August 2008 filed in these matters.	A statutory declaration by a director of the opponent Mr Graham Stuart Symmonds dated 17 August 2008 with exhibits collateral to and supporting the statutory declaration marked as GS-A to GS-F inclusive.

10. The opponent's written and oral submissions in support of the further evidence applications referred me to the *Trade Marks Office Manual of Practice and Procedure*, and thence to the observations of Hearing Officer Homann in *Studio SrL v Buying Systems (Aust) Pty Ltd* (1992) AIPC 90-858, and *Egbert Mensse Scwitters v Horphag Research Limited* (1997) ATMO 62; 40.613 (3 November 1997). Mr Park then emphasized the relevance of his new client's evidence to the oppositions at issue. He argued that, for various reasons, the applicant would not be inconvenienced, or become liable for extra costs as a result of the delay caused by the new evidence being brought in. He explained why he believed the opposition proceedings had not been overly disrupted, and maintained that the positive outcomes likely to flow from my allowing the further evidence in far outweighed the equally likely negative repercussions which might be anticipated if I did not.

11. The applicant's written and oral submissions in rebuttal cited the various considerations I should address in making my decision. Ms Heyworth-Smith submitted:

The grant of such an application is an indulgence to the party seeking it. In determining whether it should be granted, the Registrar should consider:

- (a) whether the evidence could have been obtained earlier in the proceedings with reasonable diligence;²
- (b) whether the evidence is likely to have an important effect on the outcome of the proceedings and whether it is credible;³
- (c) whether any prejudice has been suffered by the party opposing the introduction of the late evidence; and
- (d) the public interest in:
 - (i) the registration of the trade mark;
 - (ii) the expeditious processing of applications for registration of trade marks.⁴

12. The applicant's submissions focused initially upon the veracity of the opponent's explanation that ongoing settlement negotiations covering a broad range of grievances between the parties had played a significant role in the opponent's failure to meet the proper timetable for its evidence. Indeed, the applicant disputed the existence of any evidence demonstrating that negotiations had occurred at all. Ms Heyworth-Smith then examined the opponent's evidence in some detail, questioning the credibility and/or relevance of many of the exhibits. She argued that, if let in, the material could only have a minimal, if any, effect upon the outcome of proceedings. She concluded that, in light of all these factors, I could not be reasonably satisfied that it would be appropriate to grant the opponent's application.

Consideration

13. I mentioned above that the opponent's submissions referred me to the relevant section of the *Trade Marks Office Manual of Practice and Procedure* dealing with handling of applications to serve further evidence. I believe it is worth reproducing in full that

² *Ladd v Marshall* (1954) 1 WLR 1489.

³ *Ladd v Marshall* (1954) 1 WLR 1489.

⁴ *Vangedal-Nielsen v Commissioner of Patents* (1980) 33 ALR 144 at 150.

reference, as it clearly sets out the most salient aspects of the decision I must make here:

In considering whether it is reasonable to grant an application to serve further evidence, the Registrar will require that the party seeking permission to serve the further evidence sets out, in declaratory form, the reasons for wishing to do so and the nature of that evidence. In coming to a decision in the matter, the Registrar may also consider the threefold test for the admission of further evidence developed from Lord Denning's judgment in *Ladd v Marshall* (1954) 1 WLR 1489:

- it should be shown that, with reasonable diligence, the evidence could not have been obtained earlier;
- it should be shown that the evidence is likely to have an important effect on the outcome; and
- the evidence should be credible.

However, in *Studio SrL v Buying Systems (Aust) Pty Ltd* (1992) AIPC 90-858, the Registrar's delegate, Mr Homann, pointed to differences between the British and Australian provisions and made these comments in relation to the Australian law:

... it is well established that an "appeal" from the Registrar is not an appeal in the strict sense at all but within the original jurisdiction of the court: Jafferjee v Scarlett (1937) 57 CLR 115. . The appeal is a hearing de novo and the court will not exclude further evidence or additional grounds.

... The effect of refusing an application for special leave may therefore be to force an unsuccessful party to the opposition before the Registrar into an appeal to the court where the evidence, if admissible, would not be excluded. Obviously it would be preferable for the matter to be finally decided by the Registrar if the admission of further evidence would allow this to be done.

Mr Homann went on to refer to the findings of Mr Justice Richardson in *Pioneer Hi-Bred Corn Co v Hy-line Chicks Pty Ltd*⁵, where, in relation to a matter of deception and confusion, his Honour said

Within reasonable limits it furthers the public interest to allow consideration of any available evidence that will assist in providing a clearer picture of the awareness of rival marks as affecting the likelihood of deception and confusion. Second, the evidence sought to be adduced is evidence that would assist in resolving ambiguities in material furnished to the Assistant Commissioner. Except for the evidence of Mr Waymouth, it does not attempt to break new ground and Mr Waymouth's evidence provides, from official sources, relevant information as to the size of the market And as put by Ungoed-Thomas J in Bali Trade Mark (1966) RPC 387 at 393:

⁵ *Pioneer Hi-Bred Corn Co v HyLine Chicks Pty Ltd* (1979) RPC 410

.... *the proper course is to attach the main weight to the desirability of having the substantial issue satisfactorily and fully investigated.*⁶

14. Weighing up the submissions from both applicant and opponent in this matter, I find I have some sympathy with each of their arguments. In particular, I understand how the applicant might feel itself to be significantly put upon, (irrespective of which party's version of the actual extent of negotiations I may believe), to have finally arrived at the point of determination of the oppositions, only to have the prospect of a not insignificant additional delay thrust upon it. I also share some of the concerns of both the applicant and also my colleagues, regarding the somewhat scanty explanation offered by the opponent for its long delay in coming forward with its evidence.

15. Notwithstanding these reservations, I cannot help but conclude that the only reasonable course here, where the evidence at issue is the *only* evidence available in support of the opposition, is to follow Hearing Officer Homann's lead and err (perhaps) on the side of caution. To decide differently, I would need to be fully satisfied of the complete irrelevance and lack of credibility of the material sought to be introduced. My initial considerations did not lead me in that direction, and the applicant's submissions upon the topic have not persuaded me otherwise. Rather, from their protesting tone, I have gained a strong impression that the applicant harbours real concerns about the inferences a Registrar's delegate might naturally draw from the evidence. I suspect that, though partially concealed amongst the opponent's somewhat haphazard collection of information, an arguable case that deserves answer by the applicant may yet be waiting to emerge into the daylight. Under these circumstances, it is surely the most preferable and/or expedient course for both parties, this office and also the public, that these matters now be fully aired and finally decided in the opposition forum.

16. Hearing Officer Thompson, granting permission for further evidence to be served and filed in a very similar matter⁷, described the delegate's dilemma thus:

10. Proceedings before the Registrar are original - *Simac Spa Macchine Alimentari v Semak Electrics Pty Ltd* (1985) 5 IPR 283 - there are no earlier proceedings in which material could have been tendered. Further, if

⁶ *Trade Marks Office Manual of Practice and Procedure* Part 51, paragraph 2.5.

⁷ *Drug House of Australia (Asia) Pte Ltd v Drug House of Australia Pty Ltd* (2003) ATMO 78 (8 December 2003).

the evidence does relevantly go to the issue of the exercise of the Registrar's discretion, it would be unfortunate to force the applicant into an appeal to the Federal Court, which would hear the matter de novo and such evidence could then be adduced: *Studio SrL v Buying Systems (Aust) Pty Ltd* [1992] AIPC 90-858. Similarly, it would be unfortunate to force the applicant to an appeal to the Federal Court from this decision if it were not necessary.

11. Placed against this is the fact that the applicant has obviously been either ill-advised, badly organised or dilatory in its organisation of its evidence...

13. Added to this are the unfortunate timings so close to the hearing dates of [the applicant's] requests for leave to submit further evidence.

14. However, it is with some reluctance that I have concluded that it is appropriate that leave be granted to serve and file this further evidence. The evidence is now ready to be served and filed. The evidence is such that it might arguably go to the exercise of the Registrar's discretion. The assessment ...[of this] is one that is, I believe, best left to the delegate who hears the substantive matters. I have no doubt that the other party to the substantive proceedings will make submissions on this aspect.

Decision

17. In accordance with the requirements laid down in regulation 5.15, I am reasonably satisfied that it is appropriate to grant the opponent permission to serve its further evidence in relation to trade mark numbers 1102636 and 1118049. Copies of the evidence have already been filed with this office, and served upon the applicant, in the form of annexures to the application for permission to serve further evidence, and supporting correspondence. Now, however, it will be necessary for the opponent to file its original consolidated evidence with this office, and serve a copy thereof upon the applicant. I will allow one month from the date of my decision for this to be done. Once the further evidence has been filed and served, the applicant will be given a month within which to file and serve its own evidence in response to the further evidence. At the completion of this timetable, the substantive oppositions should be in fit state for hearing (if requested) and/or decision by a delegate of the Registrar. Costs were not sought by either party, and I make no award at this time.

Claudia Murray
Hearing Officer
Trade Marks Hearings
10 February 2009