



TRADE MARKS ACT 1955

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

Re: An objection to an extension of time within which to lodge evidence in answer in respect of a section 23 application for removal from the Register of trade mark registration 327549 presently in the name of **Joseph Schneider** (the assignee) and formerly in the name of **Fluidrive Corporation Pty Ltd** (the assignor) by **Aamco Transmissions Inc.**

Background

On 7 April 1994, Aamco Transmissions Inc (Aamco), a corporation of the United States of America, lodged an application for removal from the Register of trade mark 327549 for all of the services for which it is registered. The grounds on which the applicant is relying relate specifically to section 23 of the *Trade Marks Act 1955*, that is, that the trade mark was registered without an intention in good faith on the part of the applicant for registration that the mark should be used in relation to the services and that in fact there has been no use in good faith of the mark by the registered proprietor or a registered user of the trade mark for the time being earlier than one month before the application to remove the mark and, that up to one month before the date of application to remove the registration a continuous period of not less than three years has elapsed during which the mark was a registered trade mark and

during which there was no use in good faith of the mark in relation to the services, by the registered proprietor or a registered user of the trade mark for the time being. The application was advertised in the *Official Journal* of 14 September 1995. Notice of Opposition to the removal was lodged by Fluidrive Corporation Pty Ltd, (Fluidrive), the registered proprietor of the mark on 14 December 1995. In accordance with the requirements of Regulation 54 the applicant's evidence in support of the removal was served on 19 December 1995. The evidence in answer to be lodged by Fluidrive therefore fell due in accordance with regulation 55 on 19 March 1996. In the meantime on 9 January 1996 an application to record the assignment of the mark to Joseph Schneider, Managing Director of Fluidrive, was lodged at the Trade Marks Office. This assignment was duly recorded and advertised in the *Official Journal* of 22 February 1996. On 19 March 1996 an application for a three months extension of time, from 19 March 1996 to 19 June 1996, within which to lodge evidence in answer was lodged by Joseph Schneider. Following some communication between the Trade Marks Office and Carter Smith & Beadle, agents for both Joseph Schneider and Fluidrive, another application for an extension of time, from 19 March 1996 to 19 June 1996, was lodged in the name of Fluidrive on 9 April 1996. Aamco lodged an opposition to this application for an extension of time. A Hearing was scheduled for Canberra on 28 May 1996 before me as a delegate of the Registrar. Aamco was represented by David Matthew Hall from the firm of Cullen & Co. Carter Smith & Beadle for the proprietor of the mark advised that they would not appear. No submissions were made on the part of either Fluidrive or Mr Schneider.

Under the provisions of section 251 of the *Trade Marks Act 1995* proceedings under section 23 of the repealed Act which were pending immediately before 1 January 1996 will continue to be dealt with under the repealed Act. Therefore any references to sections of the Act in this decision are to be taken as referring to the *Trade Marks Act 1955*.

Mr Hall made no submissions in relation to the application for an extension of time lodged on 19 March 1996 in the name of the assignee, Mr Schneider. In his submissions he said

that the extension of time depended on the application of 9 April 1996 and the provisions of regulation 69 (2).

Submissions

The application for the extension of time lodged by Mr Schneider and the application lodged by Fluidrive rely on the same grounds. These are:

- (1) The applicant's evidence was served on 19 December 1995, immediately prior to the Christmas/New Year break.
- (2) Investigations have been made as to the matters contained in the applicant's evidence and further time is required to prepare, execute and serve our Evidence-in-Answer to this application.

Mr Hall submitted that the application for an extension of time was dated 9 April 1996 and that Fluidrive had offered no explanation for the late lodging of the application and had not established any "special circumstances" which could satisfy the Registrar that the time within which the application should have been made should be extended from 19 March 1996 to 9 April 1996.

Section 130 of the Act states:

Where, by this Act, a time specified within which an act or thing is to be done, the Registrar may, unless otherwise expressly provided, extend the time either before or after its expiration.

Before this section of the Act may be applied the provisions of regulation 69 must be met as was established in *D'Urban Inc v Campio Pty Ltd* (1990) AIPC 90-658 to which Mr Hall referred in his submissions. Regulation 69 provides that:

An application for an extension of time under these Regulations shall be in writing and shall be lodged at the Trade Marks Office:

- (1) before the expiration of the time sought to be extended; or

(2) if the Registrar is satisfied that special circumstances existed which prevented the application being made before that time, within such time as the Registrar allows.

If I am to regard 9 April 1996 as the date on which the application for an extension of time was lodged then I would agree with Mr Hall that a case has not been made out for the granting of the extension. However, I believe that the application lodged on 19 March 1996 was in time and in order.

Regulation 53 provides that in Proceedings in Opposition Cases under Regulation 22 of these Regulations, (Non-use of trade mark)

“opponent” means a person who has lodged a notice of opposition to an application under regulation 22 of these regulations.

Regulation 55 of the same Regulations provides that

An opponent shall:

(a) serve on the applicant, within three months after the date on which the declarations of the applicant were served, a copy of each of the declarations on which he relies in support of the opposition and in answer to the application; ...

It seems clear from these provisions that in these proceedings Fluidrive is the opponent and that it must in due course serve on the applicant the evidence in answer. However, there is nothing in the Act or Regulations restricting who may apply for an extension of time. I consider therefore that the application for a three month extension of time lodged by Joseph Schneider on 19 March 1996 was a valid application and as a consequence the application lodged on 9 April 1996 is not material to these proceedings.

In considering whether an extension should be granted Mr Hall said that three factors should be taken into consideration, namely, whether a proper case had been made out, in that “some good reason” has been given by the party seeking the extension, the balance of convenience and the public interest. He went on to say that the balance of convenience and the public interest should only be considered if the applicant makes out a good case to justify the extension. In support of his submissions he referred to the principles established

in *Vangedal-Neilsen v Smith (Commissioner of Patents)* (1980) 33 ALR 144, *Lyons (trading as Mitty's Authorised Newsagency) v Registrar of Trade Marks* (1983) 1 IPR 416 and *Racecage Pty Ltd v Calder Park Promotions* (1995) 32 IPR 635.

Mr Hall said that any alleged disadvantage resulting from the timing of service of the evidence in support was not a "good cause" since at most Fluidrive would have lost only one week due to the Christmas/New Year break. To this extent I agree with him. He then went on to say that while it has been accepted that, in opposition cases, where evidence is required to be gathered by third parties, which takes considerable time, this is sufficient to justify an extension of time, at least initially, this case could be distinguished from *Lyons v Registrar of Trade Marks* (supra), where the Registrar's delegate was satisfied that the applicant for the extension of time had been active in obtaining evidence. He said that in this case whether or not the mark had been used by the proprietor during the relevant period is something that is within the knowledge of Fluidrive. He also said that we are not dealing with the "notorious fact" that the gathering of evidence from third parties may take longer than the statutory three months.

The second ground stated in the application for an extension of time, while not overly convincing, has some substance. My understanding of the second ground is that the investigations have been completed and that further time is needed only for the preparation, execution and serving of the evidence. The investigations may have been complicated by the need to search through records that may not be as thoroughly maintained as is desirable.

They may also have been complicated by the need to obtain declarations from former employees or people in the trade. It is not possible to determine from the words "investigations have been made" the degree of complexity involved in the conducting of the investigations. I am prepared to believe therefore that the investigation may have been more complicated than it would appear from the words "investigations have been made" and that some extra time may be required for the final preparation and serving of the evidence.

Regarding the balance of convenience in this matter I must weigh the inconvenience suffered by Aamco if the extension is granted and resolution of the action to remove the mark from the Register further delayed against the inconvenience suffered by the new owner of the mark if Fluidrive is prevented from serving its evidence in answer if the extension is refused.

I am aware that the registered mark has been cited against Aamco's application in class 37 and that this has caused Aamco considerable inconvenience but on balance I think that the owner of the mark would suffer a greater inconvenience if Fluidrive were denied the opportunity to serve its evidence.

Ultimately the Registrar should be in a position to determine the section 23 application in the light of evidence demonstrating the market realities. I am mindful of the fact that this is the first extension of time requested and that the statutory three months allowed can prove to be restrictive, particularly where public holidays intervene. The public interest in this matter will be served best by allowing all the parties to the matter a fair and reasonable opportunity to present all their evidence.

Decision

While the reasons given for requiring this extension are unlikely to be regarded as persuasive should a further extension be required I consider that on the basis of the above factors, Fluidrive has, on this occasion, discharged its onus of showing why the extension should be allowed. I therefore allow the extension sought. Accordingly, I can see no reason why costs should not follow the result. I therefore award costs in the matter of the extension to Fluidrive.

Mary Skivington

Senior Examiner

Trade Mark Hearings

17 June 1996