



## TRADE MARKS ACT 1955

### DECISION OF A DELEGATE OF THE REGISTRAR OF TRADE MARKS

**Re:** In the matter of an application by UNILEVER AUSTRALIA LIMITED and L&K: REXONA PTY LIMITED for an extension of time to serve evidence in support to the opposition to registration of Trade Mark Application 527916.

On 31 January 1990 JOHNSON & JOHNSON (applicant), a New Jersey corporation, lodged application 527916 for registration of the trade mark CLINICLENS - the goods of interest being 'shampoos'. Acceptance of 527916 was advertised on 2 January 1992.

As allowed under the provisions of s49 of the *Trade Marks Act* registration was opposed by UNILEVER AUSTRALIA LIMITED and L&K: REXONA PTY LIMITED (opponent) both of 20-22 Cambridge Street Epping NSW. After allowance of an extension of time provided for by sub-s 49(1), the notice of opposition was lodged on 1 May 1992. The timetable for service of evidence in opposition matters, which is set out in the regulations, was then set in motion. Under the provisions of Regulation 43 evidence in support of the opposition was due for service on 1 August 1992.

As the Trade Marks Office had received no advice that evidence was served by the due date, on 14 August 1992 a notice was sent to both applicant and opponent advising that if this was the case it would be open to the applicant to seek a hearing on the matter.

On 28 August 1992 the opponent lodged an application for an extension of time of two months to 1 October 1992 to serve evidence in support of the opposition. The extension request claimed that special circumstances existed for this late application and was accompanied by a statutory declaration of Arlene Elayda setting out the special circumstances. In her declaration which is dated 28 August 1992 Ms Elayda states

- . that she is employed as a Legal Clerk in the Legal Department of Unilever Australia Limited
- . is responsible for the day to day management of trade mark matters including opposition proceedings under the supervision of Ray Phillip Jarman, solicitor, who is also employed by Unilever Australia Limited
- . due to a constant and heavy workload of late she inadvertently overlooked the time for serving declarations in support of opposition proceedings in respect of 527916.

When the request for a late extension of time was considered in the Trade Marks Office it was noted that no reason had been given as to why an extension of time was required. It was also considered that 'constant and heavy workload of late' did not satisfy the 'special circumstances' covered by r.69(b) in respect of late lodgement of applications for extension of time. For these two reasons the opponent was advised by letter of 11 September 1992 that it was intended to refuse the request unless they applied to heard within fourteen days.

On 25 September 1992 a hearing was requested and set down for 17 November 1992 in Canberra. The opponent was represented by Mr Ray Jarman, solicitor. The applicant was advised of the hearing and was represented by Mr Leon Allen of Shelston Waters, patent and trade mark attorneys, of Sydney.

As the hearing was brought at the opponent's request Mr Jarman put forward his submissions as to why the application should be allowed and then Mr Allen made submissions to the contrary.

Mr Jarman brought to the hearing a declaration of Anne Lenegan of Unilever Australia Limited (one of the opponents) which was served on the applicant on 13 November 1992 and foreshadowed lodgement of an extension of time to 1 December to cover its service and lodgement. The declaration was said to constitute the evidence in support of the opposition. Its status cannot be determined until a decision is issued on this hearing. In his submissions Mr Jarman made passing reference to the declaration to illustrate the opponent is serious in its opposition to 527916. Mr Allen confirmed that the applicant had received the declaration.

Mr Jarman's submissions were directed to the Registrar's power to allow extensions of time. He referred me to s130 and the discretion this section gives the Registrar to extend the time either before or after its expiration. Referring me to *Bernard Leser Publications Pty Ltd v Spiritual Sky Group Co Pty Ltd* (1985) 5 IPR 149 and *Foodland Associated Ltd v John Weeks Pty Ltd* (1987) 9 IPR 289, he submitted that r.69(b) was not a fetter on s130 although

he did note there was a countervailing view expressed in *D'Urban Inc v Canpio Pty Ltd* (1989) 17 IPR 486.

Listing the relevant factors which have a bearing when considering an extension under s 130, he addressed each in turn. The factors are the public interest, the balance of convenience, serious intent of the opposition and the opponent's interest in having the evidence submitted.

I was referred to *Atomic Skifabrik Alois Rohrmoser v Registrar of Trade Marks* (1987) 7 IPR 551 and *'Bali' Trade Mark* [1966] RPC 387 in respect of the public interest including disclosure of all the facts. As the evidence in support in this matter has now been provided, Mr Jarman put to me that the test of 'reasonable limits' of time, which were addressed by Richardson J in *Pioneer Hi-Bred Corn Co v Hy-Line Chicks Pty Ltd* [1979] RPC 410 at p435, had been met. The evidence would provide a clearer picture without extending the time beyond what is reasonable. He also submitted that the evidence put forward demonstrates that there is a serious matter of the public interest for the Registrar to consider.

Mr Jarman then addressed the other three factors which should be considered in proceedings under s 130. He said that unless the applicant could demonstrate it would be seriously inconvenienced by the delay then the benefits of full disclosure of the facts in the opposition matter would outweigh any slight disadvantage suffered by him. That a declaration has been lodged, he submitted, substantiates that the opponent is serious in this action. In respect of the opponent's interest, its success in this matter will be assisted by the evidence of use of its registered marks, referred to in notice of opposition, being available for consideration by the Registrar.

Turning to the provisions of r.69(b) in respect of belated requests for extensions of time, Mr Jarman referred me to the lenient interpretation of 'special circumstances' in *Jess v Scott* (1986) 70 ALR 185. This case established that the modern interpretation of what constitutes 'special circumstances' should be sufficiently liberal to include errors or omissions made by an applicant for extension or his agent. I was then referred to *D'Urban Inc. v Canpio Pty Ltd* (supra) where Hearing Officer Farquhar followed *Genentech Inc. v The Wellcome Foundation Ltd* (1988) AIPC 90-493 in relation to the word 'prevented'. It

'should be given a broad meaning so as to give effect to the regulation in situations where the person concerned has failed to apply on time owing to

some circumstance which has prevented the knowledge of the need to apply coming to that person's attention'.

Mr Jarman submitted this case could be compared to the circumstances discussed in *Maconochie Seafoods Ltd v Food Marketers Pty Ltd* (1990) 20 IPR 219, as the failure to lodge an extension of time request in time was a mere inadvertence and so an omission on the part of the legal department of the opponent. He did not refer to Ms Elayda's declaration but said the failure was specifically because the notice advising of receipt of the notice of opposition was caught up in a bundle of papers and not discovered until after time had expired. The request for the extension was sought immediately.

Mr Allen began his submission by disputing that there had been little delay in providing the evidence in support. He submitted that the opponent was aware of the application at the very latest when it was advertised in January 1992 so that some 11 months had passed in which to produce evidence provided totally from one of the opponent company's records. He considers the Registrar should ask why this evidence was not served within the initial time.

While he agreed that s. 130 is the governing section for this request, Mr Allen did not agree that section is unfettered by r.69(b). He submitted that the words 'unless otherwise expressly provided' in Section 130 are qualified by r.69 which is an express provision. Section 6(1) provides that 'this Act' includes the regulations. I was referred to several recent office decisions where this interpretation has been applied: *D'Urban Inc* (supra), *Dimtsis and Another v Agricultural Dairy Industry Authority of Epirus*, *Dodoni SA* 17 IPR 273, *Crooks Michel Peacock Stewart Limited v Kaiser* (1992) AIPC 90-883, *Maconochie Seafoods v Food Marketers* supra.

Mr Allen then turned to s 130, pointing me to *Vangedal-Nielsen v Commissioner of Patents* (1980) 33 ALR 144. He submitted that extensions are not granted lightly and must be justified quoting Bowen CJ

The Commissioner is interposed as the arbiter whether such an extension should be allowed and how long it should be. Clearly the Commissioner will have to consider the interests of the prospective opponent who, for some good reason, has not been able to mount his opposition within the initial period of three months. The Commissioner will further have to have in mind, where a serious opposition is foreshadowed, the public interest which has been mentioned, but he will have to require to be satisfied by an applicant for an extension that a

proper case has been made out justifying an extension. It would be wrong if he granted an extension simply because no one has raised rather exceptional circumstances why it should not be granted. Reasons why this is so include the desirability of operating the system efficiently and without unreasonable delays and also the interest of the applicant for a patent.

Turning to the application for an extension Mr Allen submitted that there was insufficient reason, not just to support the belated application, but for granting the extension per se. He pointed out that the only information provided was in Ms Elayda's statutory declaration and that referred specifically to the belatedness and not to the reasons required for completion and serving of the evidence and so for the extension per se. In his submission the opponent had given no reasons, therefore insufficient grounds were established for granting the extension.

He then turned to the public interest of reasonable limits of time in opposition cases and put to me that it was not appropriate to look at times actually required in other cases but what was needed in the particular case. He submitted that in this straightforward case excessive time was not required as the opponents' case is based on registered trade marks which the examiner did not cite in reports on the application. He said the applicant questioned the seriousness of the opposition as evidence of use of a registered trade mark would do little to change the position under s.33 and the present situation of oppositions based on s 28.

Turning to the special circumstances required by r.69(b) Mr Allen submitted that mere inadvertance in overlooking a deadline is not sufficient to be caught by the liberal interpretation of 'errors or omissions' considered in *Jess v Scott* supra. The oversight is attributed to 'heavy workload' not to some failure of established systems which should have picked up the oversight.

Mr Jarman made further submissions dealing with the reasonable limits of time in respect of the public interest - pointing out that until the notice of opposition was filed there may have been no matter to continue with, and so evidence in support would not be required. While conceding that there were no reasons given to justify the opposition, he put it to me that this was an oversight of the nature referred to in *Maconochie* supra where admission by the agent of a lack of knowledge of procedures was accepted. He submitted that the Hearing today and the very fact of the evidence having been served is justification for the extension.

Mr Jarman raised the question that if the registered trade marks were not cited how could one be sure that the Registrar had dealt with the case under s.33, thus maintaining the opponent's serious intentions in the matter.

Turning to the special circumstances under r.69(b) Mr Jarman further submitted that because of the economic circumstances in this time of recession, the Registrar should take into account that internal corporate services and resources had been cut. He noted that the difficulty which had occurred in this case could re-occur if it had not already caused problems.

### **The law applicable**

The general provisions of s130 to allow extensions of time cover this application. The Registrar's discretion cannot be exercised without reference to decisions made under this section. Submissions from both parties covered the factors which must be considered for such a request to serve evidence in an opposition matter. As was said in the *Vangedal case*, supra, which was followed by *Lyons (trading as Mitty's Authorised Newsagency) v Registrar of Trade Marks* (1983) 1 IPR 416, an extension of time is not a right. It must be justified by explanation as to why the original period is insufficient.

When an application is made belatedly the Registrar's discretion to grant the request is restricted by the requirement in r.69 that he is satisfied that 'special circumstances' existed which prevented the application being made before that time. Recent decisions such as *D'Urban Inc*, supra, and others noted above have confirmed this fetter although as, Mr Jarman noted, there was an earlier view on this (*Bernard Leser Publications Pty Ltd v Spiritual Sky Group*, supra). While there is a need to consider the special circumstances for the delay, the Registrar has taken a liberal view and, as noted where error or omission by the applicant or his agent has occurred, has followed *Jess v Scott* supra. Many of the Registrar's decisions on this were canvassed at the hearing.

The three factors to be weighed where an adequate case is made out as to why the time allowed is insufficient are the public interest and the relative inconvenience to both parties if the extension is allowed or refused.

These factors were all discussed in *Lyons*, supra. The public interest in denying registration to a mark which may be deceptive has often weighed heavily in favour of granting an extension (*Bundy American Corp v Rent-a-Wreck (Vic) Pty Ltd*. (1985) 5 IPR 307. There will of

course be inconvenience to the party not making the request if an extension is granted and conversely if it is not possible to put evidence before the Registrar the other party will be inconvenienced.

## **Decision**

Neither on the request for an extension of time nor at the hearing did the opponent put forward any reasons as to why the time allowed under r.43 for service of evidence in an opposition matter was insufficient. The submission that lodgement and service of the evidence was justification that grounds had been provided does not satisfy the requirement set out in *Vangedal* and followed in many decisions of the Registrar. Mr Jarman put to me that the decision in *Maconochie* supra, could be followed, that is that the agent had a lack of knowledge of the procedures to be followed. Mr Jarman is a solicitor of the Legal Department of one of the opponents with responsibility for trade mark matters. I think the likelihood that this is similar to the circumstances in *Maconochie* is remote. The opponent was advised by letter of 11 September 1992 that no reasons were given for the request under s.130.

As I have no reasons before me as to why the extension was required, I cannot decide that the reasons are good and sufficient to allow the extra time requested. I therefore do not allow the extension of time for service of evidence in support of the opposition in 527916.

Because I have found that there are no good reasons to allow the extension I do not need to consider the matter of special circumstances under r.69(b). I will note that in my view a 'constant and heavy workload' could be a factor in causing an error or omission by an applicant or his agent. But in these difficult economic times it is more likely to be part and parcel of the normal circumstances of many offices than something 'special'. I also note that the official advice of receipt of the notice of opposition turned up amongst other papers. This could also be a contributing factor to an error or omission but it seems unlikely to me that the timetable set for such a structured process as is required by regulations 43 to 45 in opposition matters would be left to notification from this office. It may be that the combination of these two factors would be sufficient to meet the interpretation of special circumstances which has been followed by the Registrar's delegates in the past.

The public interest is of course best served by all available evidence being before the Registrar and I note that evidence has been submitted in this matter. In the matter of inconvenience between the parties, it will most inconvenience the opponent if the evidence is not before the

Registrar. The time already taken in the matter is not excessive and would not be adverse to the public interest. However my consideration of these factors is again not required because no reasons were provided as to why the original time was not sufficient.

#### **COSTS**

Both parties made submissions as to costs for this matter. I agree with Mr Allen that this is a separate matter and should be decided apart from the finalised opposition action. While the opponent has not succeeded in the request for the extension, the matter was brought on by the opponent not the applicant. The applicant being advised of the hearing attended to put submissions. I find therefore that each party should bear its own costs.

**Patricia Wearne**

**A/Hearing Officer**

27 November 1992