



TRADE MARKS ACT 1955

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

Re: Opposition by Ahmed Jamshidi to an application by Roussel Uclaf Environmental Health Limited for an order that trade mark number 579030(5) **PIF PAF** be removed from the Register.

Trade mark number 579030 is registered in the name of Ahmed Jamshidi. Mr Jamshidi resides in Melbourne. 579030 is the word mark **PIF PAF** registered for goods which are simply stated as *insecticides*. This mark has been registered since 25 May 1992.

On 21 June 1994, Roussel Uclaf Environmental Health Limited (hereafter Roussel Uclaf) applied for an order of removal as per section 23 of *1955 Trade Marks Act*. The grounds for the removal application are stated as follows.

By an agreement dated 24 May 1993 between Ahmed Jamshidi and ourselves he acknowledged the trade mark **PIF PAF** in respect of insecticides was our property and that he had, in effect, used the mark in Iran in the manner of a commercial counterfeit product, and he further agreed that there would be no use by him within or outside Iran.

We therefore believe that the trade mark was registered without an intention of good faith on the part of the applicant for registration that it should be used in relation to the goods by him and that there has been no use in good faith of the trade mark in relation to the goods by the registered proprietor or a registered user of the trade mark for the time being earlier than one month before the date of this application

Roussel Uclaf served notice of the removal application on Mr Jamshidi and, in the *Australian Official Journal of Trade Marks* of 1 September 1994, the Registrar published notice of the application.

In accordance with the provisions of regulation 22, Mr Jamshidi's agent, at that time, Mr James Murray, a patent attorney with the Melbourne firm of James Murray & Co., lodged a notice opposing the removal. The grounds of Mr Jamshidi's opposition are broadly:

- i. that he has used the trade mark **PIF PAF** on goods that he has exported to countries in the Middle East
- ii. that the agreement alleged to have been entered into between him and Roussel Uclaf dated 24 May 1993 is void as it was signed under duress
- iii. that his application to register **PIF PAF** was made in good faith and the alleged agreement does not disclose an intention to use the trade mark that was other than in good faith
- iv. that Mr Jamshidi's use of **PIF PAF** has been commercial use in relation to the registered goods; that this has been use in good faith, and that the alleged agreement does not disclose a lack of good faith in the use of that mark.

Roussel Uclaf duly filed evidence supporting its application. This consists of two declarations, both from David Loughlin, product manager for Roussel Uclaf. One is dated 7 October 1994: I shall refer to it as *Loughlin I*. The other is dated 5 April 1995: I shall refer to it as *Loughlin II*. This evidence was served on Mr Jamshidi through Mr Murray who advised the Trade Marks Office that Mr Jamshidi intended to serve answering evidence. This, however, was the last of Mr Murray's involvement and from there on Mr Jamshidi acts on his own behalf. The three months provided for service of evidence in answer closed on 10 July 1995, and Mr Jamshidi had not served his evidence. In late July both sides were notified of this and, as provided by regulation 58, the removal applicant, Roussel Uclaf, asked that the matter be set down for hearing.

A hearing was scheduled to take place in Melbourne on 15 September 1995 but Mr Jamshidi fell ill, and, on very short notice, I adjourned this hearing and subsequently re-scheduled it for Canberra on 12 December 1995.

Between the two hearing dates, however, on 4 October 1995, Mr Jamshidi wrote to the Trade Marks Office seeking special leave to introduce evidence. Accompanying this letter was a small collection of copied letters and invoices, but there was no fee and a number of other requirements had been overlooked (these I come to again below). I wrote to Mr Jamshidi, referring him to the provisions of regulation 47, and pointing out the shortcomings of his application. Mr Jamshidi did not respond or take steps to rectify matters.

Mr Jamshidi and Roussel Uclaf both made representation at the Canberra hearing by telephone. Mr Jamshidi required some help with English, and was therefore assisted by his daughter, Ms Bahar Jamshidi. Roussel Uclaf was represented by Mr Robert Kelson of the Melbourne firm of Callinan Lawrie.

The application for special leave to adduce further evidence

An application for leave to adduce further evidence is provided for by regulation 47 which, so far as it is relevant, states as follows:

47.(1) An opponent or applicant may not adduce further evidence except

(a) by leave of the Registrar, if the parties agree in writing to further evidence being adduced; or

(b) by special leave of the Registrar granted on an application made for that purpose.

(2) An application for special leave under (b) of the last preceding sub-regulation shall, unless made at the hearing, be in accordance with Form 14.

(3) The person making the application shall lodge with the application a declaration setting out the grounds on which the application is made and the nature of the further evidence which it is desired to lodge.

(4) The person making the application shall -

(a) within fourteen days after the making of the application, serve a copy of the application and a copy of the declaration on the other party to the proceedings; and

(b) if the copies are served after the making of the application, lodge at the Trade Marks Office a written

statement indicating the place at which, and the day on which, the copies of the application and the declaration were served on the other party.

(5) The other party shall, if he intends to oppose the application, give to the Registrar and to the person making the application notice of his intention to do so within fourteen days after the date on which the copies of the application and the declaration were served on him.

(6) Where special leave to adduce further evidence is granted, the other party shall be entitled to reply to the further evidence.

In addition, item 5 of the fee schedule operating in 1995 prescribes a fee of \$100.

In order to qualify for a grant of any leave to adduce further evidence, it is clear, as Mr Kelson pointed out, that some evidence at least must already have been served. That is the meaning of *further*. And that indeed, is the meaning that has been applied in decisions such as *Orton & Burns Engineering Pty Ltd -v- John L O'Brien and Associates*, 17 IPR 308. In addition, however, a grant of special leave is only appropriate where the tests set down by Lord Denning in *Ladd -v- Marshall* [1954] 1 WLR 1489, have been met. These tests are that the evidence could not reasonably have been obtained within the statutory time; that the evidence is likely to have an important influence on the result of the case; and that the evidence is credible.

Trade Marks Office response to the application for special leave

As I have indicated, Mr Jamshidi's application did not comply with the procedural requirements of regulation 47. Therefore, on 12 October 1995, eight days after his application was received, I wrote to him explaining the shortfall. In particular, as his application was for a grant of special leave per 47(1)(b), he needed -

- per sub-reg 47(2), to apply in substantial accordance with Form 14
- per sub-reg 47(3), to lodge a declaration stating grounds supporting the grant
- per sub-reg 47(4), to serve Roussel Uclaf with a copy of the declaration
- per sub-reg 47(4), to notify the Trade Marks Office when and where service was effected

- per Schedule 5, to pay the prescribed fee of \$100.

Two copies of the letter were sent to Mr Jamshidi, one to the address then on the Register, and the second to a different address that appeared on Mr Jamshidi's application letter. I also sent a copy of the letter to Mr Kelson with advice that an application was now on foot for grant of special leave to adduce further evidence.

At the commencement of the hearing, I asked Mr Jamshidi to make his submissions in respect of the further evidence, and particularly to address the matters I had put down in my letters of 12 October 1995.

Submissions re the application for special leave

Mr Jamshidi submitted three reasons for not serving answering evidence within the time allowed. First was his own ill health. Mr Jamshidi had been ill with a heart attack and had been hospitalised in Australia and overseas. Second, he claimed, was his agent's ill health. Mr Murray, he said, had similarly been afflicted with heart trouble, and this had prevented work on Mr Jamshidi's opposition. Third, was Mr Jamshidi's lack of knowledge of procedural matters. As a result of these factors no evidence in answer was served and thus it became necessary to apply for the special leave. These are his grounds for the grant of special leave.

Mr Jamshidi had not acted to address the matters raised in my 12 October letter because, he said, he had not received them. He agreed that one of the addresses that I had used was his current address, and the other had been his previous address. He could not explain why the letters had failed to reach him, but, he believed that a number of items had recently gone astray.

Mr Kelson pointed to the many ways in which the application failed to meet the requirements of regulation 47. He particularly pointed to the fact that no part of the application had been served on him, and he therefore had no way of commenting on the significance of the material Mr Jamshidi sought to adduce. In particular he could not say whether it was likely to be important, whether it was credible, and whether or not it would have been available earlier.

He said that his copy of my 12 October 1995 letter to Mr Jamshidi had reached his office safely.

On the subject of Mr Murray's alleged ill health, Mr Kelson commented that to his knowledge Mr Murray had not suffered any heart problems and was in fact fit and well. However, he said, that in a firm such as Mr Murray's, arrangement would be in place to cover for illness and, had Mr Murray personally been unable to prosecute Mr Jamshidi's opposition, another member of the firm would certainly have taken over.

Discussion re the application for special leave to adduce further evidence

Quite clearly Mr Kelson is right when he says that the provisions of regulation 47 have not been met.

First, Mr Jamshidi has not served any evidence within the permitted timeframes and, as confirmed in cases such as *Orton & Burns (supra)*, some preliminary evidence is a necessary pre-condition for further evidence.

Second, even if there had been preliminary evidence, Mr Jamshidi's application manifestly fails to meet the requirements of regulation 47, through his disregard of the requirements to provide declaratory evidence and, most particularly, to serve Roussel Uclaf with that evidence in the time allowed. As nothing has properly been filed or served, there is in effect, nothing for me to assess against the *Ladd -v- Marshall* tests (*supra*). In terms of the regulatory requirement and the governing case law, the application for special leave to adduce further evidence cannot be allowed.

Generally speaking, the Registrar is disinclined to shut out critical evidence purely on the operation of technicalities. As pointed out in the *Studio SrL -v- Buying Systems (Aust) Pty Ltd* 22 IPR 580, a delegate's decision brought before the courts is considered *de novo*, and any relevant evidence may be admitted. This inclines the Registrar to admit such evidence as he may. Particularly is he inclined to admit evidence if it will subsequently be germane in court proceedings, if it goes to the public interest, or if both parties mutually agree to the admittance. It is, in any case, the Registrar's considered view that the best outcome is generally obtained on a full disclosure of the facts.

On account of some of these reasons it was ultimately decided in *Orton & Burns (supra)* that, although a case could not be made out in terms of regulation 47, there could nevertheless be grounds for allowing the time provided for evidence in answer to be extended by way of regulation 69. An extension request made outside the regulatory three months could thus be considered in terms of special circumstance. In view of the factors that weigh against shutting out evidence, I think that it is appropriate to consider whether, on present facts, I could, by way of regulation 69, allow an extension of the three months specified by regulation 55, for Mr Jamshidi to serve his answering evidence.

The circumstances then, are as follows.

- First, Mr Jamshidi, in his submissions at the hearing, claims that the evidence was not prepared within the time allowed first, because of Mr Jamshidi's illness; and secondly, because of Mr Murray's alleged heart attack. I have certificated evidence of Mr Jamshidi's illness. I do not have any evidence of Mr Murray's alleged heart attack. On the contrary, Mr Kelson comments that he has no knowledge of this illness, and I myself am equally unaware that Mr Murray has been laid low. Altogether the reference to Mr Murray's alleged illness is wholly unsubstantiated, and, in light of my own knowledge, and Mr Kelson's comments, seem to me to be quite specious. Then, as Mr Kelson says, even if the allegation was true, it can be assumed that James Murray & Co would carry on with the opposition requirements.
- Second, Mr Jamshidi submits that he did not address the deficiencies in his application for special leave because he did not receive my letter of 12 October 1995. He thus did not know there was anything more that he was supposed to do. I am not satisfied with this explanation. In particular I am not satisfied that Mr Jamshidi's failure to provide declaratory reasons, serve notice on Roussel Uclaf and pay the necessary fee, came about because he did not receive my letter. Mr Jamshidi was at a loss to explain how it could have happened and I note that neither letter was returned to the Trade Marks Office per "return to sender". Mr Kelson's copy arrived safely. I am therefore not prepared to accept that Mr Jamshidi did not have adequate information to act on, and I find that his overall failure to provide adequate reasons for the extension taken together with his failure to serve notice of the application on the removal applicant, weigh against allowing any further extension of time.
- Finally, there are the questions of public interest and the likely balance of convenience resulting from allowing or disallowing an extension of time for Mr Jamshidi's evidence. I have not been shown that there is any public interest in allowing the extension although,

as Mr Kelson advocates, there may be something in getting matters finalised. In the main, therefore, this is simply a matter of whether a registered proprietor should be allowed special leniency in the defence of his registered mark. Certainly a denial will have serious business consequences for Mr Jamshidi. On the other hand, Roussel Uclaf has a pending application (which I will come to below) which it must maintain as a live application until such time as the removal action is decided. Matters have already been held over through the cancellation of the first hearing. Further, Roussel Uclaf's ability to respond to the request for more time has been constrained by Mr Jamshidi's failure of service. Whilst a denial is clearly of considerable consequence to Mr Jamshidi, it is also clear that allowance would occasion inconvenience to Roussel Uclaf.

These circumstances I find do not, in any instance, weigh in favour of a late extension per reg 69.

Decision re the application for special leave to adduce further evidence

Considering all these matters, I came to the conclusions, that there was no ground on which I should allow a grant of special leave, and likewise, that there was no good ground on which I should allow any other extension of time to serve evidence in answer.

Consequently, when the parties had completed their submissions in respect to the application for special leave, I refused the application for special leave, and I invited the parties to make their respective submissions on the removal application. The application thus comes to be decided on the basis of Roussel Uclaf's evidence in support, and on the matters submitted at the hearing.

Person aggrieved

I turn first to the standing of Roussel Uclaf and the threshold question of whether or not it is a person aggrieved. The grounds are set down in *Loughlin I* Roussel Uclaf is the applicant for trade mark number 593258. This too is a word mark **PIF PAF** - and the application is in respect of *preparations for killing weeds and destroying vermin; pesticides*. This application is now at a standstill because examination has disclosed a conflict with Mr Jamshidi's trade mark registration. Removal of Mr Jamshidi's trade mark will allow the Roussel Uclaf application to proceed. The evidence in both *Loughlin I* and *Loughlin II* shows moreover that **PIF PAF** is a Roussel Uclaf trade mark that it extensively uses in some 40 countries; and has registered in over 100 countries. Very clearly, therefore,

Roussel Uclaf has a real business interest in having Mr Jamshidi's mark removed from the Register. Accordingly - per the directives of McLelland J., *Ritz Hotel Ltd -v- Charles of the Ritz Ltd*, 12 IPR 417 at 454-55 - these circumstances establish Roussel Uclaf as a person aggrieved.

Prima facie case

The onus of the prima facie case lies upon Roussel Uclaf. As per *Estex Clothing Manufacturers Pty Ltd v Ellis and Goldstein*, (1966) 116 CLR 254 at 258:

It is for the applicant who seeks to have a mark removed to prove his case. The onus is on him to show an absence of use in good faith during the period.

I spelt out Roussel Uclaf claims at the beginning of these reasons. Broadly, they are

- that, as of 24 May 1993, Mr Jamshidi agreed that the trade mark **PIF PAF**, is Roussel Uclaf's property
- that Mr Jamshidi has agreed that his use of **PIF PAF** in Iran is a counterfeit use of Roussel Uclaf's trade mark
- that Mr Jamshidi has agreed not to use that mark, inside or outside Iran
- that Mr Jamshidi did not apply for registration of **PIF PAF** in good faith
- that Mr Jamshidi has not used the trade mark in good faith.

The two Loughlin declarations set out the following information.

PIF PAF has no meaning. It was invented in about 1956 in the pesticide division of The Wellcome Foundation Limited (Wellcome). This division, together with its registered trade marks, passed to Roussel Uclaf in 1992. Wellcome established **PIF PAF** on a range of domestic insecticidal products and the mark has been in use ever since. Roussel Uclaf trades with it in over 40 countries of the world. **PIF PAF** is the leading brand of domestic insecticide in at least 10 of these countries, and in particular, it is the leading brand of domestic insecticide in the Middle East. Worldwide sales under the **PIF PAF** trade mark amount to many millions of dollars, and *Loughlin II* appends a list of over 100 countries in which the mark is now registered.

Loughlin I gives details of Roussel Uclaf's pending Australia application to register **PIF PAF**, and broadly describes its wide commercialisation and far-reaching reputation as a well-known trade mark for pesticides. Roussel Uclaf has taken action against Mr Jamshidi for infringing its mark in Iran with goods imported from Australia. As a result of these proceedings Mr Jamshidi signed an agreement dated 24 May 1993, in which he undertakes not to deal in any products with the trade mark **PIF PAF** for goods in class 5, within or outside Iran. *Loughlin I* appends a copy of this agreement by which Mr Jamshidi and a Mohammad Mohammadi Bayat, undertake that they will not:

get involved directly or indirectly in the trade of insecticide products with the forged mark of **PIF PAF** or similar marks under any title whatsoever, within or outside the country, and in case we act contrary to the said obligation, we are bound to compensate all damages inflicted upon the owner of the said mark namely Roussel Uclaf Environment Health Ltd.

At the hearing, Mr Kelson pointed to this agreement and submitted that it supported the claim that Mr Jamshidi's application for an Australian registration of this mark was not in good faith, and neither was any of the use that had taken place.

I may say at this point that I find that the evidence in the *Loughlin* declarations sufficient to shift the onus onto the registered proprietor. I have no reason to doubt that **PIF PAF** is one of Roussel Uclaf's valuable international trade marks, that it is registered widely throughout the world, and that it is of particular prominence in Middle Eastern countries, such as Iran. That of course does not mean that Mr Jamshidi was not at liberty to adopt the mark and use it in Australia. There is a line of case law which frowns on sharp business practice, but nevertheless allows that a mark, well known in other countries, may be taken up afresh in Australia, so long as there has not been any use of that mark in this country by the overseas proprietor. Roussel Uclaf makes no claim to have used its mark in Australia. What it does claim, however, is that Mr Jamshidi registered the mark in Australia for the express purpose of protecting a trade in the goods in Iran. That trade was not trade in good faith, but was trade that infringed Iranian registration rights.

As I have said, Mr Jamshidi served no evidence to answer this claim. Further, his application to serve late evidence has been denied. In the course of the hearing he put forward a number of unsupported allegations regarding the validity of his agreement with Roussel Uclaf. These allegations may have carried some weight had they been properly served and supported. They were not. I therefore find I cannot give them any weight at all.

What I find I have to decide, is Roussel Uclaf's serious allegation that Mr Jamshidi sought an Australian registration of the trade mark **PIF PAF** for the purpose of protecting a business by which he intended to export, to Iran, goods which directly infringed Roussel Uclaf's Iranian trade mark right. Mr Jamshidi has not denied that these exports took place. On the contrary, they are acknowledged indirectly in his grounds of opposition, and they were acknowledged more directly in his submissions at hearing. Given the reputation of the Roussel Uclaf's trade marks it is difficult to believe that Mr Jamshidi would not have been aware that his trade mark was likely to give rise to deception and confusion if he was to use it on insecticides exported to Iran. Further, considering the meaningless nature of the mark **PIF PAF**, I must agree with Mr Kelson that his choice of these words for insecticides, cannot be put down to coincidence. I also agree with Mr Kelson that, the inference to be drawn from the Mr Jamshidi's choice of marks and his shipment of goods to Iran, is that he applied for registration in the absence of any good faith.

Had Mr Jamshidi used his mark in Australia at any time from registration up to one month before the Roussel Uclaf application, he could have pointed to this use, and it may have had a telling effect on the outcome. He has not done this. Nor, indeed, has he cited any Australian use in the grounds of his opposition. I am therefore left to conclude that he only used this mark for export, and, that he exported his goods to Iran. There is an onus on a trade mark proprietor to use his mark in bona fide trade, and, if there is a move to remove it, a trader must be prepared to comply with the rules and respond with evidence which establishes its rights to maintain registration. As noted by Windeyer J. in *Estex case* (supra) it is generally easier for a proprietor to prove use than it is for a removal applicant to prove non-use. The fact that no counter evidence has been provided, the generally unsatisfactory explanations tended in respect of that failure, and the fact that no use other than the infringing Middle Eastern use is relied on as a ground of opposition, leave the Roussel Uclaf challenge unanswered, and suggest that no evidence of use in good faith could be produced.

It seems to me, all things considered, that Roussel Uclaf first, has successfully demonstrated an absence of good faith in Mr Jamshidi's intentions of use of his trade mark **PIF PAF**, and second, has shown that there has been no use in good faith in relation to the goods from the time that the mark was registered. Mr Jamshidi has failed to satisfy me that his intention or his use has been otherwise. I do not see any grounds for exercising a discretion in this matter and consequently, unless the matter is taken on appeal, I direct that trade mark number 579030(5) is to be removed from the Register.

Costs

Mr Kelson made an application for an award of costs. There is no reason why the costs in this case should not follow the cause, and accordingly I award costs to the removal applicant.

Helen R. Hardie
Deputy Registrar

20 March, 1996