



TRADE MARKS ACT 1955

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

Re: Objection by RACECAGE PTY LIMITED to an application for an extension of time to lodge evidence in answer by CALDER PARK PROMOTIONS PTY LTD to opposition to registration of trade mark application number 579350

Application number 579350 was lodged, on 29 May 1992, in the name of CALDER PARK PROMOTIONS PTY LTD (the applicant) for the mark CANNONBALL. The mark was advertised as accepted on 23 September 1993. On 21 December 1993, notice of opposition under s.49 of the Act was lodged to the mark's registration by RACECAGE PTY LIMITED (the opponent).

Evidence in support of the opposition was settled as being served on 4 November 1994 in accordance with regulation 43. Following one disputed extension of time application to serve evidence in answer until 4 May 1995, which was decided in favour of the applicant, it then sought a further extension of time until 4 July 1995 to serve that evidence, in accordance with regulation 69.

The grounds on which the extension were sought were:

The applicant is continuing to actively pursue preparation of Evidence-in-Answer, however, as this requires extensive evidence from the trade, further time is needed to finalize and serve Evidence-in-Answer in these proceedings.

The opponent objected to the extension sought and a hearing to determine the matter was set down in Canberra on 28 June 1995 before me as the Registrar's delegate. The opponent relied upon written submissions by its solicitors, Boyd House and Partners. The applicant was represented by Mr Stephen Plymin of Watermark.

In their written submissions, Boyd House and Partners said that the applicant had already had, in substance, one year and two months to gather evidence in reply and there had been no change in market conditions in that time. The grounds upon which the applicant had based its present application were virtually the same as those given for the first extension sought and therefore did not disclose any evidence justifying the extension. The solicitors said that the application for the extension should be rejected to allow for a prompt resolution of the opposition. This would be in the best interests of both the parties and the public, given that a further event may be undertaken in the 1996/97 year and it would be desirable to resolve the question of registration before a decision on whether to hold the event was taken.

In his submissions in rebuttal and in support of the application, Mr Plymin said that there were matters of proprietorship and distinctiveness raised in the notice of opposition and in the evidence in support. These were substantial issues which required detailed answers. To answer the former ground, material needed to be located in the applicant's records, a process which had been hindered by a missing file which contained details of future entertainment concepts, including one linked to the present mark. He referred here to a Statutory Declaration by Mr Bob Jane, the Managing Director of the applicant, where he declared that the applicant had been extensively searching for the file. Mr Plymin said that, to answer the latter ground, extensive evidence needed to be obtained from the trade, a difficult and time consuming process. He said that the leading cases relating to extensions of time were *Vangedal-Nielsen and Others v Commissioner of Patents and Another* (1980) 33 ALR 144 and *Lyons (trading as Mitty's Authorised Newsagency) v Registrar of Trade Marks* (1983) 1 IPR 416. Whilst the former case showed that an applicant for an extension needed to justify the request, the latter said that it was usual that the initial statutory period could prove to be inadequate for the process and that extensions might be required. Mr Plymin said that there were many cases, including *Bundy American Corp v Rent-a Wreck (Vic) Pty Ltd* (1985) 5 IPR 307 where the time sought to be extended sometimes totalled up to 33 months.

Mr Plymin said that the applicant had actually only from the 4 November 1994 to gather its evidence. This was the date that it had been advised about the resolution of a dispute regarding the granting of an extension of time to serve evidence in support. He said that, up until that time, it had not known if, in

fact, there was a case to answer. Thus the period to the end of the period sought for the gathering of evidence was eight months and not the fourteen months suggested by the opponent. Notwithstanding this, the present case was a complex one and such extensions were not unusual in the circumstances. He said that it was relevant that the applicant had been diligent in collecting its evidence and it had now nearly completed the task.

With respect to the relative inconvenience to the parties in the dispute, Mr Plymin said that a denial of the extension would prove to be far worse for the applicant as much of its evidence would not be able to be served. He said that claims by the opponent that the matter needed to be expedited because of possible hindrances to the running of a future event were misleading. One such event had already been staged with the opposition in train and there seemed to be no problems if another was held with the matter unresolved. The opponent also had failed to mention exactly when this event was planned and, in any case, the opposition should be decided before the 1996/97 financial year. He said that, with respect to the public interest, it would be best served if all of the relevant evidence was made available for the Registrar to consider.

He closed his submissions by seeking costs on behalf of the applicant.

Discussion

Regulation 44 of the *Trade Marks Regulations* reads, inter alia:

44. An applicant shall-

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

Section 130 of the Act gives, to the Registrar, the discretionary power to extend the time within which an act is to be done. The present extension sought falls under this section.

In determining whether or not the extension is allowable in this instance, I believe that the appropriate circumstances are as outlined in the instance of the *Lyons* case, supra. These are: whether a proper case has been made out; the relative inconvenience to both parties of the allowance, or otherwise, of the extension; and the public interest.

In relation to whether a proper case has been made out, it has been shown in *Vangedal Nielsen v Commissioner of Patents*, supra, that the party seeking the extension must furnish some "good reason" to justify the request. In this instance, the stated reasons were: that further time was required because the applicant was gathering "extensive evidence from the trade". This procedure would, in my opinion, necessitate some time to contact potential declarants and arrange for the collection and analysis of their statements. In the words of Beaumont J in the *Lyon's* case, supra, the Registrar is "entitled to have regard to the notorious fact that opposition proceedings usually involve the gathering of evidence from third parties, and this usually takes considerable time". Another reason which has emerged after the original application for the extension - but prior to the hearing - is the claim by Mr Jane, in his declaration of 14 June 1995 that preparation of a leading declaration by himself was being hindered by a missing file which contained certain information. This would appear, prima facie, to be a mitigating factor in the present delay but one which I would not expect to have currency in any possible future applications.

With respect to the time which has already elapsed in the compilation of the evidence in answer, I must agree with Mr Plymin that the time so far sought has not been unduly excessive, especially given that

declarations are being sought from members of the trade - with the usual attendant problems. In addition, the question of whether the evidence in support was properly served was only resolved on 4 November 1994, leaving the applicant only from that date to consider what exactly it had to answer. Therefore, notwithstanding any added complications occasioned by missing documents, I feel that the initial request contained enough to satisfy the onus upon the applicant of providing "good reason" for the application.

On the question of the balance of convenience, the opponent's solicitors have said that the prompt resolution of the proceedings would be in both parties' and the public's interests as a further event may be held in 1996/97, and the matter would need to be resolved before a decision to stage it was made. However, I am aware that one such event has already been run in May 1994 - well after the date of lodgment of the present opposition. I cannot see why, the opponent having already been involved in the event run under a disputed mark, the situation would be different now. Of course, the continuance of opposition proceedings does not preclude the opponent from using what it claims is not the applicant's mark. Other matters, such as any actions for possible infringement or passing off, are beyond the competence of this tribunal and I therefore cannot consider them in this decision. I appreciate the delays and possible expenses which may ensue for the opponent if I do allow the extension. However, I have found that, in the present instance, the delay is justified and if, in the final outcome the opponent is successful, it will be able to pursue such matters as damages in the proper forum. It is also true that the inconvenience and expense of the opposition process itself are inherent in any such dispute. On the other hand, if I do not allow the extension, then the applicant's case might, without the opportunity of serving its own evidence in answer, possibly fail. I therefore find that the balance of convenience lies with allowing the extension sought.

Lastly, I must consider the question of the public interest, As D.R. Shanahan says on pp.69 & 70 of his book, *Australian Law of Trade Marks and Passing Off* (2nd ed.), "The public interest in denying registration to a deceptive mark will often weigh heavily in favour of extension. It has been said that where a deceptive use is alleged, 'every effort should be made to enable the Registrar to consider [the] circumstances with the assistance of as much documentary evidence as possible' - *Bundy American Corp v Rent-a Wreck (Vic) Pty Ltd*, supra. I think that, given the claims made by the opponent, in its

notice of opposition, that the opponent is not the proprietor of the mark - and the possible deception which could ensue from the opponent's use - the public interest will best be served by a full and open disclosure of the facts and evidence from both sides.

Decision

On the basis of the above factors, I consider that the applicant has discharged its onus of showing why the extension should be allowed. I therefore allow the extension sought. On the matter of costs, I have found that the reasons advanced were, in the circumstances, sufficient to justify the extension. Accordingly, I can see no reason why costs should not follow the result. I therefore award costs in the matter of the extension to the applicant.

Ian Forno
Hearing Officer

6 July 1995