

TRADE MARKS ACT 1955

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

Re: Objection by S. & A. RESTAURANT CORP. to an application for an extension of time to lodge evidence in support by CONQUIP HOLDINGS PTY. LTD. of opposition to registration of trade mark applications nos. 594459 and 594460.

Application numbers 594459 and 594460 were lodged, on 20th January, 1993, in the name of S. & A. Restaurant Corp (S & A Restaurant) for the marks BENNIGAN'S and BENNIGAN'S GRILL. The marks were advertised as accepted on 15th December, 1994. On 9th March, 1995, notice of opposition under s. 49 of the Act was lodged to the marks' registration by Conquip Holdings Pty. Ltd (Conquip).

In accordance with reg. 43, evidence in support of the opposition was due on 9th June, 1995. An application for an extension of time to 9th September, 1995 to serve the evidence in support was lodged on 7th June, 1995. This request was granted. Some evidence in support of the opposition was served on 8th September, 1995.

On 8th September, 1995 a further extension of time request was received. The request was to extend the due date to serve evidence in support to 9th December, 1995.

On 28th September, the Registrar received from Phillips Ormonde & Fitzpatrick, the agent for S. & A. Restaurant, a letter objecting to the extension of time request. The reasons given for the objection were;

‘ that the time already provided to the opponent has been adequate for the preparation and service of Evidence-in-support of the opposition to these two trade mark applications, and that the opponent has not acted with due diligence or serious intent in preparing and serving all of its evidence-in support within that time. In addition the circumstances outlined in the extension applications are inadequate to support the extensions of time now sought.’

The agent also requested that the matter be set down for a hearing.

The matter was set down for a hearing in Canberra on 2nd November, 1995. The opponent to the extension, S & A Restaurant, was represented by Mr Graham Cowin of Phillips Ormonde & Fitzpatrick. The applicant for the extension Conquip, was represented by Mr John McCormack of Griffith Hack & Co who made written submissions.

S & A RESTAURANT'S SUBMISSIONS OPPOSING THE EXTENSION

Mr. Cowin opened his submissions by advising me that he had received copies of the evidence in support, being a statutory declaration of Mr. Bill Lambropoulos at 5.10. p.m. on the 1st November, 1995, the day before the hearing took place. This statutory declaration completes the evidence in support to be filed by the applicant.

Mr. Cowin's submissions were based on four grounds:-

- that the applicant had had adequate time to prepare its evidence in support;
- that the applicant had not acted diligently in collecting the evidence
- that the reasons given by the applicant for requesting an extension of time were not sufficient; and
- matters regarding the balance of convenience.

On the first ground, Mr. Cowin pointed out that Conquip was a local Australian company with local legal representatives. The company was engaged in the restaurant industry, where most of the evidence that it would rely upon could be found, and this should facilitate the collection of evidence. The grounds listed in the Notice of Opposition are not unusual or different to those usually listed and as such any evidence required to substantiate such grounds should be readily available.

Mr. Cowin maintained that Conquip had not acted diligently in the collection and service of the evidence in support of the opposition. He said that the initial documents served as evidence in support, statutory declarations by Ms. Moutsias and Ms. Batzios, had been served on 8th September, 1995. This was served the day before the first extension of time period was due to cease on 9th September, 1995. The evidence filed, according to Mr. Cowin, was not original to these opposition proceedings but was a refile of documents lodged in respect of a

removal for non-use matter between the parties that is currently on foot. In respect of the opposition matters in relation to these cases, Mr. Cowin said that no specific evidence had been filed until 1st November, 1995 when the declaration of Mr. Bill Lambropoulos was served. Mr. Cowin maintained that in the intervening period - from 9th March to 1st November, 1995 - Conquip had not been diligent in the collection and service of the evidence in support of the opposition.

Regarding the reasons given for the extension of time request, Mr. Cowin referred me to the cases of *Vangedal-Nielsen and others v Smith (Commissioner of Patents) and another*, 33 ALR 144 and *Lyons (trading as Mitty's Authorised Newsagency) v the Registrar of Trade Marks*, 78 FLR 217. He said that the reasons given for the second extension of time request constituted no more than a bald statement and did not provide sufficient reason to allow the Registrar to determine why extra time was warranted. He also referred to '*ACI Australia Limited v Shelm Merchandising Company Pty Ltd* and *Sporoptice Pouilloux S.A. v Arnet Optic Illusions Inc - 1994* (both unpublished decisions) regarding the increasing onus that must be considered when a subsequent extension of time request is determined.

Mr. Cowin said that while the reasons given may have supported a first extension of time request, there is a higher justification to support a second extension of time. Consideration should be given to the fact that there is a rising onus to justify the extension, that the granting of such an extension is a privilege and, in order to obtain the benefit, Conquip should be putting forward appropriate reasons. He said that if there are undisclosed circumstances the extension of time request may not be justified.

The final ground that Mr. Cowin made submissions on was in relation to the balance of convenience. He said that this ground only needed consideration if I decided that there is a good and laudable reason for granting the extension of time and he referred me to *Universal City Studios v. Frankenstein (1993) IPR p 137 at p 142*

'Universal has not met the onus on it to explain why the time so far allowed has been insufficient. This is the first and primary step' -.

Mr. Cowin also made submission regarding costs in this case. He sought costs for S & A Restaurant. He said that Conquip had now filed all the evidence in support and the submissions now made had provided additional reasons for the extension of time. However, the lateness of lodging these materials has meant that Mr. Cowin has had insufficient time to

contact the overseas agent for S & A Restaurant in USA. Material had only been lodged in Melbourne at 5.10 p.m, the day before the hearing, leaving him with no time to get instructions as to whether to proceed with hearing. He also noted that Conquip had been aware of the objection to the extension of time and the hearing date for two months and had not lodged the material earlier..

WRITTEN SUBMISSIONS ON BEHALF OF CONQUIP.

Mr McCormack's submissions began by referring me to the leading cases in extension of time matters *Vangedal-Neilsen* and *Lyons*, supra. He also referred to the recent case of the *Australian Olympic Committee Incorporated v Ann & Paul Brennan*, (1994) AIPC 90-181, where the points to be considered in deciding whether or not to grant an extension of time were extended to :-

- . the length of time already allowed
- . the reason put forward to justify the extension
- . the seriousness of the opposition
- . the inconvenience likely to be suffered by the two parties ; and
- .the public interest in the matter

In respect of the first point, Mr. McCormack said that this is the second application for an extension of time by Conquip to serve evidence in support of the opposition. The total time allowed, if the request is granted, will be nine months. This, he said, was not an unacceptably long period of time, and was similar to the time allowed in respect of the *Australian Olympic Committee Incorporated*, supra. He indicated that the time would be considerably shorter than that allowed in other cases, such as *Bundy American Corp v Rent-A-Wreck (Vic) Pty Ltd.* (1985) IPR 307 - where 33 months was permitted.

Regarding the reason put forward to justify the extension, Mr. McCormack maintained that the reason given was sufficient and that Conquip had been diligent in performing the tasks of collecting and collating extensive information, including a questionnaire. A statutory declaration had been compiled and this declaration formed the remainder of the evidence in support which had been served on the attorneys for S & A Restaurant on 1st November, 1995. He also said that even if the reasons put forward in the applications were not comprehensive and fully detailed, this in itself was insufficient to deny granting the applications

for extension of time. In this regard, he referred me to the cases of *Lyndon Bradney Simmons v LaTrobe Brewing Company*, (1994) AIPC 91-102 and *Lam Soon Trade Mark Limited v Meadow Lee Foods Limited*, a decision of the Registrar of Trade Marks, dated 3rd November, 1993. (unpublished)

In relation to the seriousness of the opposition, Mr. McCormack referred to the fact that Conquip had lodged an application for the trade mark BENNIGANS - application number 655428 - and were also involved in an application under section 23 to remove registration A376532 which is registered in the name of S & A Restaurant Corp. He said that Conquip had been involved in gathering evidence in support of that removal application and further, Conquip's achievement in serving part of the evidence in support in the present case within the statutory time was again testament to the seriousness of Conquip's intention. He also drew my attention to the fact that the final part of the evidence was now complete, had been served, and was on file.

The relative inconvenience to the parties and the public interest, said Mr McCormack, are allied considerations. The inconvenience occasioned to Conquip, if the extension of time was not allowed, would mean it would be shut out from presenting part of its evidence. This would mean that the Registrar would not have all the relevant information before him in coming to a decision in the matter. There was a public interest that the ownership of a mark be clearly determined and in this case, where deception and confusion may occur 'every effort should made to enable the Registrar to consider [the] circumstances with the assistance of as much documentary evidence as possible.' *Australian Law of Trade Marks and Passing Off* (Second Edition) by D.R.Shanahan at p. 70.

In summary, Mr. McCormack said that the opponent had now served all of its evidence in support and that this greatly favoured the granting of an extension of time. He referred me to *Shanahan supra p 70*

"other factors favouring extension have been that the party seeking extension had served its evidence by the time of the hearing to consider the application for extension, or would soon do so' (*Jamieson v American Dairy Queen Corp* (1985) 5 IPR 551)

He also maintained that the Registrar had a duty to maintain the purity of the Register and if the opposed application was allowed to be registered without all the circumstances being made available to the Registrar, the marks might be improperly registered, thus tainting the Register.

Discussion

Regulation 55 of the Trade Marks Act, states, inter alia,

55. 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;

Section 130 reads

‘Where, by this Act, a time is 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.’

In the circumstances under consideration, the provisions of section 130 apply. Deciding whether or not an extension of time is allowable in the present proceedings will depend upon considering the matter in light of the factors outlined in the *Lyons* case, supra, namely; whether a proper case had been made out justifying the extension, whether sufficient reasons have been provided, the relative inconvenience to the parties concerned, and the public interest.

The first application for an extension of time to 9th September, 1995 to serve the evidence in support, was lodged on 7th June, 1995. The reasons given for this request were:-

‘The collection and collation of data showing use of the mark BENNIGAN’S in Australia has commenced. This data is to be included in the declarations forming the evidence in support. Further time is required to complete the collection of information and to prepare the declarations. Accordingly, we require further time to prepare the evidence in support for serving and lodgement.’

This request was granted and on 8th September, 1995, a further extension of time request was received. The request was to extend the due date to serve evidence in support to 9th December, 1995. The reasons given for this request were:-

‘The collection and collation of data showing our use of the mark BENNIGAN’S in Australia is continuing and preliminary investigations have been completed. Declarations have been prepared and lodged at the Trade marks Office, and copies served on the applicant. It is proposed that further declarations will be supplied by other declarants. Accordingly, further time is required to complete the collection and collation of information and to prepare and finalise the wording of additional declarations forming the evidence in support. Therefore, we require further time to complete the service of the evidence in support.’

According to S & A Restaurant, the reasons given are insufficient, as the request constituted no more than a bald statement and did not provide sufficient reason to allow the Registrar to

determine why extra time was warranted. In the *Lyons* case, supra, where the applicant for the extension of time had relied on the grounds that, ‘evidence in support of the opposition is in the course of preparation but it is desired to have additional time to prepare that evidence and to serve copy thereof on the applicant, ‘ Beaumont J. said at AIPC page 38,630

‘Although a more detailed explanation of the position may have been desirable, I think that it is possible to construe the rather bald statement of the ground for the request (supra) as indicating that, although efforts had been made in that behalf, it was not possible to finalise the form of the evidence sought to be adduced in the time allowed by the regulation. I accept that, on one view, it is possible to read the stated ground as being little more than an assertion that more time is required. However, the statement of the ground does at least attempt some explication of the position. Further, I think that the delegate was 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 given that background, and given the construction of the statement of the ground which was open, I am of the opinion that the delegate did not exercise his discretion in any improper way.’

As this request for an extension of time is a second request, it is also appropriate to consider whether the applicant for the extension of time has met “the rising onus on a party seeking such extensions to justify its conduct.” This matter was considered in the Office decision of *ACI Australia Limited v. Shelm Merchandising Company Pty. Ltd.* (as yet unreported).

The reasons given for the extension of time request do indicate that some progress has been made in the collection and collation of information from people in the relevant industry. The reasons given do not indicate that any particular problems or delays had been encountered. Whilst the reasons given are not particularly detailed, they are considerably more specific than many reasons given for similar extension of time requests. They are clearly more than, ‘the bald statement’ referred to in *Mitty’s* case, supra, and meet the requirements of informing the Registrar as to the nature of the progress to date and steps required to complete the service of the evidence in support.

With reference to the question as to whether a proper case to justify the extension has been made out I have considered Mr. Cowin’s submissions that Conquip is an Australian company with local legal representatives and is engaged in the restaurant industry which should assist in the gathering of the evidence. However, even though Conquip does have the advantage of local representation and local knowledge of the industry, they are still heavily reliant on third parties to provide information in a timely manner. I believe that this can lead to considerable

delays in compiling evidence, engrossing the information into declaratory form and having these documents signed and witnessed before serving them as part of the evidence in support.

The total time allowed for the service of evidence in support in this matter, if the current extension of time request is allowed, will be nine months. This is a relatively short time, particularly when compared to other extension of time cases, such as *Bundy American Corp v Rent-A-Wreck (Vic) Pty Ltd.*, supra, where 33 months was allowed. I note that the remaining evidence in support has now been prepared in declaratory form and served on S & A Restaurant. Given this, I am satisfied that Conquip has been diligent in the matter and that the time spent has not been excessive.

Regarding the relative inconvenience to the parties and the public interest in granting or denying the extension, Mr Cowin cited *Universal City Studio Inc*, supra, asserting that such factors would need to be considered only if the opponent had satisfied its initial onus of explaining why the time already allowed had been insufficient. He said that in that case, having referred to *Vangedal-Nielsen* and *Lyons*, supra, once the hearing officer concluded that the opponent had not established a proper case for granting the required extension of time, he did not continue considering those issues. However, in this instance, where I consider that Conquip has established a case for granting the extension, I shall refer to the matters of relative inconvenience and public interest.

Considering the inconvenience caused to S & A Restaurant by the delay in the present proceedings, I note that it has not indicated whether it would suffer any undue hardship if the extension is granted. From the notice of opposition, it is clear that a serious opposition is foreshadowed based on deception or confusion arising from the alleged use and reputation of the opponent's same or similar marks. I am mindful that, should I disallow this request, Conquip will be unable to serve the evidence in support that it has now gathered. The question of whether or not an additional extension of time should be granted to allow evidence to be disclosed is discussed at p70 of *Shanahan*, supra. The author states there that, "every effort should be made to enable the Registrar to consider the circumstances with the assistance of as much documentary evidence as possible."

I must also consider the question of public interest. Here, I consider that this interest would be best served if both parties in the dispute were allowed to present their arguments and evidence

as fully as possible (*Rollbits Pty. Ltd. v Rowntree Macintosh plc* (1986) AIPC 90-291). I think that, given the claims of potential deception and confusion if the mark is registered made by the opponent in its notice of opposition, the public interest will best be served by a full and open disclosure of the facts and evidence from both sides. As Conquip has now completed the compilation of all the evidence in support of their opposition, I feel that it is in the public interest that all of that relevant material be available to the Registrar when the matter is fully tested at a hearing.

Decision

I am of the opinion that the reasons given by Conquip for the second extension of time request do indicate some progress had been made in the process. This is also shown by the fact that the evidence sought to be relied upon has now been served. I also note that all the evidence in support of the opposition has now been served. Therefore, having considered the facts surrounding the case I have decided to allow the extension of time of three months to 9th December, 1995

Because the scope of the evidence which S & A Restaurant must now answer could not be known until this decision issued, I have determined that the evidence in answer will now be due three months from the date of this decision, i.e. 12th May, 1996.

As Conquip has been successful in having its extension to serve evidence in support allowed, I see no reason why costs should not follow the result. Consequently, costs in the matter are awarded to Conquip.

Sandra Jarvis
Senior Examiner

12th February, 1996