



TRADE MARKS ACT 1955

DECISION OF A DELEGATE OF THE REGISTRAR OF TRADE MARKS

Re: Intention to refuse a late application for an extension of time to serve evidence in support of an opposition by HAMILTON DELIUS PTY LIMITED to registration of trade mark application number 596827 in the name of SHARON MACNAY

Background to the matter

Application number 596827 was lodged on 24 February 1993 in the name of SHARON MACNAY (the applicant). The application was for registration of the word mark FUSS SALONS in a slightly stylised form and was advertised as accepted in the *Official Journal* of 3 June 1993 for the statement of services: "Beauty salon services, including all nail care and beautification" in Class 42.

Notice of opposition to the mark's registration was lodged on 9 August 1993 by HAMILTON DELIUS PTY LIMITED (the opponent). The main grounds of opposition, as stated in the notice, may be summarised as relating to claims that the applicant did not own the sole right to the word FUSS pursuant to a Deed of Partition between the applicant and the opponent; and that registration of the mark by the applicant would be likely to cause deception and confusion.

There was some confusion as to when service of the notice of opposition was made on the agents for the applicant. However, the Trade Mark regulations state that evidence in support of an opposition must be served on an applicant within three months after the notice of opposition has been lodged at the Trade Marks Office - in this case, 9 August 1993. Therefore, this point does not appear to be critical, as it is the latter date which is critical in determining the date on which the

evidence is due to be served on the applicant. Consequently, the opponent's evidence in support was due to be served on the applicant by 9 November 1993. As no evidence was served by the due date, an Official Notice was sent to the opponent on 18 November 1993 noting this and advising that it was now open to the applicant to seek a hearing under reg. 49(2) to determine the matter. The opponent's attorney, Gye Perkes & Stone, then lodged, on 7 January 1994, a letter and Statutory Declaration by Paul Raymond Stone, dated 5 January 1994, seeking approval for an extension of time to serve the evidence in support. The application and Declaration did not specify a date to when the extension was sought but, as it was accompanied by the scheduled late fee and two months extension fees, I presume the date to which the extension was sought was 9 January 1994. The reason given for seeking the application was:

From 9 August, 1993 to 22 November, 1993, much correspondence has been entered into between the solicitors for the Applicant and Opponent. During that time, evidence on behalf of the Opponent was not filed in accordance with the Trade Marks Regulations. This was an oversight.

The reason given for seeking the extension itself was:

The extension of time is required so as to correlate the evidence obtained thus far through correspondence as mentioned...

The opponent was advised, in an Official notice dated 21 January 1994, that the reasons stated did not provide satisfactory grounds and, for that reason, the delegate of the Registrar did not intend to allow the extension sought. The notice gave 14 days for the opponent to be heard in the matter and the opponent did seek such a course in a letter to the Office lodged on 8 February 1994.

Consequently, the matter was set down for hearing before me, as the Registrar's delegate, in Sydney on 4 March 1994. The opponent was represented at the hearing by Mr David Thackeray of Gye Perkes & Stone. The applicant was asked if she wished to be represented at the hearing but declined. However, Ms Maureen Mustafa, a business associate of the applicant attended the hearing as an observer.

Mr Thackeray said that the person who had conduct of the matter in his firm had made an error as to the correct date on which the evidence was due to be served. He submitted that, regardless of this, the applicant should not be penalised because of an error which may have been committed by its solicitor. He went through the chronology of events which occurred between the dates of lodgment of the notice of opposition and the late lodgment of the application for the extension. He said that the person in his firm had been confused as to the actual date on which the evidence was due because of a letter from the Trade Marks Office which noted that the notice of opposition had been served on the applicant's solicitors and not her address for service. He submitted that a series of letters which had passed between the Office and his firm had further contributed to the delay. He also said that certain negotiations which had been occurring between the parties were a factor in the delay - although he could not confirm that these exchanges were on the matter of the trade mark application. Upon receipt of an Official notice, dated 18 November 1993, advising that the evidence was overdue, the opponent's representative had spoken to officers from the Trade Marks Office on 25 November 1993. Mr Thackeray said that this person had inferred from these conversations that the resolution of the matter of a late extension application was a matter of course, requiring only a late fee and the provision of some reason for the delay. He said that Mr Stone had made his Declaration on this basis. He said that the evidence, for which the extension to lodge had been sought, consisted of a Statutory Declaration by a Mr Hughes which had been executed on 24 December 1993 and had been lodged at the Trade Marks Office as soon as possible after that date. He did not say whether this material had yet been served on the applicant in accordance with the Trade Mark regulations.

Mr Thackeray said that it was important that all the relevant material should be able to be put before the Registrar and that the Declaration by Mr Hughes, which had now been lodged, sought to clarify the situation. He reiterated that the opponent should not be denied the right to fully support its case because of any error which may have been committed by its solicitors in interpreting the legislation.

Decision

Regulation 43 of the *Trade Marks Regulations* reads, inter alia:

43. An opponent shall-

- (a) serve on the applicant, within three months after the notice of opposition has been lodged at the Trade Marks Office, a copy of the declarations on which he relies in support of his opposition

Section 130 of the Act reads as follows:

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.

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-

- (a) before the expiration of the time sought to be extended; or
- (b) 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.

The extension in the present instance is sought from the Registrar under s.130 and it is "out-of-time". Thus, reg.69 is triggered, so that the "special circumstances" mentioned in that regulation must be shown which are sufficient to satisfy the Registrar before he can favourably exercise his discretion. Only if those circumstances are shown to the Registrar's full satisfaction, can he further consider the matter of the extension itself. Then, the criteria used to decide the case would be the same as those at issue as in *Lyons & Another (trading as Mitty's Authorized Newsagency) v Registrar of Trade Marks and Another* (1983) 1 IPR 416 and *Vangedal-Nielsen and Others v Smith (Commissioner of Patents and Another)* (1981) 33 ALR 144, viz., the applicant for the extension must discharge its onus of making out a proper case for the granting of the extension, the balance of convenience for both parties in allowing the extension and the public interest.

In *D'Urban Inc v Canpio Pty Ltd* (1990) AIPC 90-658, the facts at issue were of an initial misunderstanding as to the efficacy of service on a Document Exchange, followed by 14 months of inaction once the invalidity of that service was brought to the attention of the attorney concerned. In that case, although the extension was ultimately refused, Assistant Registrar Farquhar agreed that, as

with the finding in *Genentech v Wellcome Foundation Ltd*, (1987-88) 11 IPR 401, reg 69 should be interpreted liberally.

In *Genentech*, supra, Supervising Examiner Roveta referred to *Jess v Scott* (1986) 70 ALR 185 as establishing that the modern interpretation of the expression "special circumstances" in the Patents regulations should be a liberal one. Mr Roveta noted, at p 405, after he had looked at relevant court decisions:

The point is that both courts appeared to take the view that the particular expression with which we are here concerned - even though, apparently, a somewhat more stringent requirement than that of the court rule - ought to be liberally interpreted by a tribunal so as not to let an appellant suffer unfairly.

Mr Roveta also concluded that

the word "prevented" ought to 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.

On consideration of those comments, Ms Farquhar, in *D'Urban*, supra, had formed the conclusion that reg.69 can be applied to remedy the consequences of "errors or omissions made by the applicant for extension, or by their agent". However, in the application of reg.69, *all* of the surrounding circumstances must be considered and the final question must be if, as a whole, there is anything about them that is "special".

Once the time set by the relevant regulation has passed, the onus on an applicant for an extension to justify the conduct that has caused it to need extra time is considerably increased. I have considered the reasons put forward by the opponent in respect of the lateness of the application to see if they could constitute "special circumstances" for the purposes of reg.69. In my view, they do not. The only circumstance advanced by the solicitors for the opponent is that an oversight occurred in not submitting an application for an extension within the time required. The factor deemed to be mitigating in this regard was that a person within the firm of solicitors representing the applicant -

presumably inexperienced in the prosecution of trade mark opposition matters - became confused as to the correct date that the evidence was to be served. In his submissions, Mr Thackeray said that this was exacerbated by confusion about the original service of the notice of opposition. I must note here that the regulations are clear that the due date for service on an applicant of the evidence in support of an opposition is three months after the date of **lodgment** - a date about which there is no confusion. He further stated that, as outlined in Mr Stone's Declaration, negotiations between the applicant and the opponent contributed to the delay, but he produced no evidence of these communications. Notwithstanding this, I give no weight to that claim in deciding the matter as, even if such talks were going on, there is nothing to show that they caused a delay in applying for the extension, or even if they included the matter of the trade mark at issue. I also give no weight to the claim that the person responsible for the case became confused after speaking to officers of the Trade Marks Office. There has been nothing produced to me to show that incorrect or misleading advice was given by these officers. Indeed, it is normal practice that officers who have charge of opposition administration matters are instructed not to offer advice on the telephone in matters where any ambiguity could occur.

Although the initial failure to apply for an extension appears to have been a genuine error by the opponent's solicitors, no one seems to have treated the matter with any degree of urgency once the mistake was discovered. A period of seven weeks had passed after the due date before an application for the extension was lodged on 7 January 1994. This was despite the fact that the non-lodgment of the evidence had been drawn to the attention of the applicant's representative in an Official letter of 18 November 1993. Then, the only reason given was that an "oversight" had occurred. I am of the opinion that this is where the opponent's case fails. In my estimation, this amounts to "...a mere casual regard for the times prescribed by the Act and Regulations" as outlined in *Bundy American Corp v Rent-a Wreck (Vic) Pty Ltd* (1985) 5 IPR 307, and distinguishes the present case from the liberal interpretation of "special circumstances" contemplated in *D'Urban*, supra. I feel that this was a mistake seemingly compounded by an indifferent approach to the timetable laid down in the regulations. In this instance then, I find that the opponent has not

discharged its onus of showing that "special circumstances" existed which prevented the application for extension being made on time.

It is unfortunate that the opponent will be disadvantaged by the inaction of its solicitors in the matter but I simply cannot find anything in the Declaration by Mr Stone, or in the submissions by Mr Thackeray, which could lead me to the conclusion that special circumstances existed that precluded the application for the extension being lodged within the time specified. I also think that it does not serve the public interest well if the smooth and orderly conduct of opposition matters is disrupted by the approval of an extension sought in such circumstances.

Subsequent to the hearing, Ms Maureen Mustafa, who had attended the hearing as an observer, sent me material which, she said, went towards showing that no negotiations regarding the mark had taken place between the applicant and the opponent which could have delayed the application for the extension. I have not taken this material into account in coming to a conclusion in this matter, as the opponent has not had an opportunity to comment, or counter, any claims made. I have based my decision, with respect to the opponent's claims that negotiations may have been a contributory factor in the delay, on the fact that Mr Thackeray did not produce any evidence at the hearing to support this claim and I have therefore given this argument no weight in coming to a conclusion.

Conclusion

To summarise, then, I have decided that the "special circumstances" contemplated in regulation 69 did not exist which prevented the application for the extension being made within the time provided by regulation 43. Having so found and, subject to any appeal from this decision, it would now appear open to the applicant to seek a hearing in the substantive matter under regulation 49(2)(a).

Ian Forno
Hearing Officer

15 March 1994