



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

Re: s49 - application by The Australian Olympic Committee Incorporated for an extension of time to serve evidence in support of opposition to trade mark application number A599496(28) - OLYMPIAD THE GAME OF CHAMPIONS - a mark filed in the names of Anne Brennan and Paul Brennan.

Trade mark application number A599496 is the words OLYMPIAD THE GAME OF CHAMPIONS. It was lodged jointly on 2 April 1993 by Mrs Anne Brennan and Mr Paul Brennan for goods described as *board games*. These goods belong in class 28.

Examination was expedited, and on 29 July 1993 acceptance of this application was advertised in the *Australian Official Journal of Trade Marks* and on 25 October 1993, well within the time allowed by section 49 of the Trade Marks Act, The Australian Olympic Committee Incorporated (The Australian Olympic Committee) filed a notice of opposition.

Trade Marks Regulation 43 specifies that within three months of lodging notice of opposition at the Trade Marks Office, the opponent shall serve the applicant with the supporting evidence. This three months expired on 25 January 1994. However on 24 January, The Australian Olympic Committee applied for an extension of three months to 24 April 1994. This extension application was unopposed and it was allowed.

On 22 April 1994, The Australian Olympic Committee applied for a second three month extension. This extension is opposed and is the subject of this decision. The agent seeking the extension states the reasons as follows:

[The Australian Olympic Committee] is hopeful of reaching an agreement with the applicant which will include resolution of the opposition to the trade mark application, however it wishes to reserve its rights in relation to the opposition should the negotiations fail to result in settlement. In light of the ongoing negotiations it has not been appropriate for our client to go to the time and expense of preparing evidence in opposition at this stage. In order to protect its position our client therefore requests a further extension of three months during which it may lodge its material.

On 6 May Mr and Mrs Brennan filed a strong objection. They say:

Gadens Ridgeway [the agents acting for The Australian Olympic Committee] claim that negotiations have continued between the parties involved and that their client is hopeful of reaching an agreement at some stage. It should be emphasized that, after 6 months, from the lodging of the opposition, little has been done to amicably resolve the situation, as was claimed to have occurred during the first extensions of time. Negotiations have consisted of the AOC offering to grant a licence to us to market our board game on unacceptable conditions.

It is to our disappointment and frustration that we have been unable to even approach a reasonable agreement, and for Gadens Ridgeway to suggest that negotiations have taken place regarding the trade mark and its opposition would be frivolous.

In support of our objection we wish to point out that no genuine negotiations have taken place.

The matter of this opposition to the second extension of time for serving evidence in support of the opposition, was therefore set down for a hearing before me, in Canberra on 7 July 1994. Mr and Mrs Brennan were represented by Ms Cassimaty of the Sydney firm of

Conway McCallum. Ms Cassimaty kindly supplied me with a transcript of her submissions and a chronology. The Australian Olympic Committee was represented by Mr Golvan of Counsel from Melbourne. Mr Golvan handed me as evidence, a statutory declaration setting out events and exhibiting correspondence, by Graham Spencer Smith, a solicitor employed by Gadens Ridgeway. A copy of this declaration had been received by Ms Cassimaty on the previous day. There was no disagreement between Ms Cassimaty's and Mr Smith's accounts of events.

There are five headings under which I should consider whether or not the extension of time sought by The Australian Olympic Committee, should be allowed. They are:

- 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
- the public interest in the matter

I shall consider them in turn.

The length of time already allowed

The history of extensions in respect of the service of evidence in support of the opposition is, as described above, quite brief. One three-month extension has been granted, bringing the total time so far allowed to six months. The current application, if allowed, will bring the total time for preparation and service of the evidence to nine months. It has long been recognised that the statutory three months commonly falls short of the practical time required to collect and serve supporting evidence (*Mitty's Authorised Newsagency v the Registrar of Trade Marks*, 78 FLR 217 at 221) and it is regularly the case that extensions of up to 9 months are requested and allowed (*Bundy American Corp v Rent-a-Wreck (Vic) Pty Ltd*, 1985 IPR 307). *Prima facie* therefore, the present extension is not one which is difficult to justify.

The reason put forward to justify the extension

As per *Vangedal-Nielsen and others v Smith (Commissioner of Patents) and another*, 33 ALR 144 per Bowen CJ at 150, the Registrar must be satisfied that a proper case has been made out justifying an extension.

I have quoted the reasons above in full. The Australian Olympic Committee is hopeful of reaching an agreement which will resolve the opposition, but it wishes to reserve its opposition status against a possible failure of negotiations.

Submission and material put forward by Ms Cassimaty indicate that negotiations have not progressed with any degree of satisfaction so far as Mr and Mrs Brennan are concerned. She says that all attempts to arrive at an amicable agreement have been initiated by Mr and Mrs Brennan and have come to nought. Two proposals, however, ultimately did come to Mr and Mrs Brennan from The Australian Olympic Committee, the first of 24 February 1994 and the second of 31 May 1994. Neither of these was considered by Mr and Mrs Brennan to be acceptable or commercially viable.

The history supports statements that negotiations have been taking place. It is clear, moreover, from copies of correspondence submitted by both sides, and from a chronology of events, that there has in fact been considerable interchange between the parties. Ms Cassimaty's submissions and Mr Smith's declaration show that the exchange of letters and telephone conversations range through, *inter alia*:

- a 16 November 1993 demand from The Australian Olympic Committee that Mr and Mrs Brennan withdraw their trade mark application and desist from any use of the name **OLYMPIAD**,
- a 23 December 1993 response from The Australian Olympic Committee to Mr Brennan regarding licensing proposals put by him to Gadens Ridgeway

- a 24 February 1994 letter from Gadens Ridgeway to Ms Cassimaty at Conway McCallum's setting out The Australian Olympic Committee's requirements for a licence agreement
- an 18 March 1994 letter from Conway McCallum to Gadens Ridgeway on behalf of Mr and Mrs Brennan, notifying agreement to some of the conditions for the licence proposals, and broaching options for others
- a 5 April 1994 letter from Alan Grover, the marketing director of The Australian Olympic Committee, which indicates that some of the conditions relating to the licence proposals, were being considered by The International Olympic Committee
- a 28 April 1994 meeting between Mr Brennan and Mr Grover where Mr Grover said that a licence would be based on assignment of the **OLYMPIAD** trade mark.

In addition to these contacts Ms Cassimaty mentions numerous other enquiries (particularly during March, April and May 1994) made by Mr and Mrs Brennan in earnest attempts to resolve the matter.

Ms Cassimaty submitted very forcefully that The Australian Olympic Committee at no time indicated a willingness to participate in an arrangement which Mr and Mrs Brennan considered feasible. I appreciate their position. However, regardless of how unsatisfactory and discouraging Mr and Mrs Brennan found The Australian Olympic Committee's propositions to be, it very clear that negotiations have been underway. These commenced, on Ms Cassimaty's account, as early as 1 November 1993, only three days after the Notice of Opposition was filed. November then witnessed a number of frustrated attempts by Mr and Mrs Brennan to arrange meetings. Over the following six months however, numerous exchanges did take place and licensing arrangements were mooted. These exchanges

continued up to and after the operating extension date of 25 April 1994. However much Mr and Mrs Brennan may have disliked and disagreed with the proposals that emerged, it is very clear that The Australian Olympic Committee was indeed justified in believing that negotiations were underway which, if developed to the Committee's satisfaction, would eliminate the need for the full opposition process.

Mr Golvan referred me to *Bundy American Corp -v- Rent-A-Wreck (Vic) Pty Ltd*, 5 IPR 516 and I adopt as appropriate to this case, the delegate's comments at p310:

It is not for me, here, to consider the merits of the situation as it exists or existed between the applicant and the opponent, or their respective rights so far as the mark is concerned. That will properly be a matter to be considered when [or if] the opposition comes to be decided.

I am simply to decide whether the opponent has justified a request for an extension of time in which to serve its evidence in support. In this regard, and with particular reference to the effect of collapsed negotiations, Mr Golvan pointed me to *Stafford Miller Limited -v- Cosco Holdings Pty Limited*, 1989 AIPC 39,085; and *Lord Bloody Wog Rolo -v- United Artists Corporation*, 11 IPR 516. As these cases indicate, the Registrar's view is that as a general rule, if negotiations are taking place, parties are justified in exercising some restraint in the collection and preparation of evidence. Should those negotiations come to nought, and in the absence of any counterbalancing circumstances, an extension is generally warranted to make good time lost during negotiations. I think it is clear that up to and after 25 April 1994, there have been comparatively steady attempts by both sides to negotiate a settlement. On that finding, and in line with the cases cited by Mr Golvan, the reason put forward to support the extension is sufficient. Parties should not be obliged to proceed with costly and time consuming exercises to prepare evidence when they are working towards a real prospect of alternative resolution. I note that Mr and Mrs Brennan found the terms that emerged from these negotiations not at all acceptable. However, I must comment that the

object of The Australian Olympic Committee's opposition is to demonstrate that Mr and Mrs Brennan are not entitled to register the trade mark **OLYMPIAD THE GAME OF CHAMPIONS** and, bearing this point in mind, I find that nothing in the account of the negotiations put before me compromises The Australian Olympic Committee's position regarding its claim that negotiations have been underway.

I find the reason specified by The Australian Olympic Committee for the extensions well supported and good ground for allowing the time requested.

The seriousness of the opposition

The grounds of the opposition are wide, and include such matters of public interest as proprietorship, distinctiveness, claims of deceptive similarity, a claim that the mark contravenes the prohibited mark provisions, and a claim that use of the mark by Mr and Mrs Brennan would be contrary to law. The Smith declaration indicates at Clause 37 that legislative constraints operate in respect of various Olympic insignia. The Trade Marks Office is well aware of the *Olympic Insignia Protection Act 1987*. The challenge to the mark on grounds of proprietorship, deception, and distinctiveness is serious, as indeed is the challenge that **OLYMPIAD** contravenes legislation. I think it is plainly evident that this opposition is far from frivolous, and further, that the issues raised in the notice of opposition are indeed of a serious nature.

The inconvenience likely to be suffered by the two parties.

Ms Cassimaty put forward serious financial consequences, as the inconvenience facing Mr and Mrs Brennan. She demonstrated that Mr and Mrs Brennan have committed some five years to the development of a board game which for some time past has been ready to launch. They have received favourable responses from a number of retail traders. The opposition action now on foot prevents them from achieving any sales. Consequently, their financial situation is becoming difficult, and the longer the opposition continues, the more difficult they expect their position will become. Ms Cassimaty argued that the stressful

commercial conditions now suffered by Mr and Mrs Brennan are good grounds for refusing the extension of time.

If I denied the extension, The Australian Olympic Committee could not serve evidence to support the notice of its opposition. This would obstruct its endeavour to fulfil the obligations imposed by the Olympic Charter. Particularly, it would be a serious obstruction to The Australian Olympic Committee's challenge to Mr and Mrs Brennan's right to register a word which, according to the Smith declaration, the Olympic Charter seeks to protect.

I am satisfied that an adverse decision will have very serious consequences for both parties. On the one hand, Mr and Mrs Brennan have frankly disclosed the difficulties brought about by the compelling need to get their product free of opposition, and onto the market. On the other, The Australian Olympic Committee has demonstrated the obligations that come with its charter and its onus to uphold the integrity of Olympic insignia. While the scale and nature of these inconveniences are very different, the relative inconvenience is, to my mind, equally serious for both sides.

The public interest in the matter

As per Richards, J. in *Pioneer Hi-Bred Corn Co -v- Hy-Line Chicks Pty Ltd*, [1979] RPC 410 at 435,

Within reasonable limits it furthers that public interest to allow consideration of any available evidence that will assist in providing a clearer picture of the awareness of rival marks as affecting the likelihood of deception or confusion.

The Australian Olympic Committee's challenge to Mr and Mrs Brennan's trade mark application includes a number of questions affecting the likelihood of deception or confusion and, in addition, the opposition raises the question of whether use of the word **OLYMPIAD** would be contrary to law. These all bear on the public interest. The substance of the

matters is confirmed by the Smith declaration. I am satisfied that as per the directives of Ungood-Thomas, J. in *Bali Trade Mark* [1966] RPC 387, 393, it is clearly desirable to have these matters fully investigated. This end would of course be best served by allowing time for the service of the supporting evidence.

Decision

I have found that four of the five criteria favour the grant of the extension.

- The time so far allowed is in total only six months. Consequently the onus of justifying the grant of the additional three months is not particularly heavy.
- The reason put forward is that additional time is required to compensate for time lost in negotiations. Quite clearly negotiations have been underway up to the present six months deadline. A good deal of the negotiation was at the initiative of Mr and Mrs Brennan and with results which they found unsatisfactory. But that is not the issue. The question is whether or not The Australian Olympic Committee's decision to delay collection of evidence was reasonable in light of its dealings with Mr and Mrs Brennan. The evidence is that it was. The Australian Olympic Committee could logically and realistically expect that through negotiation, full opposition proceedings could be avoided. Its decision to exercise restraint in the collection of supporting evidence was therefore justified.
- The seriousness of the opposition is borne out both by the grounds of the opposition and by the supporting explanations submitted through the Smith declaration.
- The public interest is here best served by allowing the extension.

On the remaining criterion, the question of the relative inconvenience that would be imposed on the respective parties should they be unsuccessful, I have not found a significant difference. Both would be seriously inconvenienced.

The opposition to the extension must, however, be determined on balance, and on balance it is clear that The Australian Olympic Committee has justified the grant of the additional time to serve its evidence in support on Mr and Mrs Brennan. I therefore extend this time to 25 July 1994.

Mr Golvan submitted that costs should be awarded to The Australian Olympic Committee. The Committee has been successful, and so far as the action is concerned, I have not been shown any reason why costs should not follow the cause. I therefore award costs to The Australian Olympic Committee. In allowing this award I draw attention to the provisions of section 71A and the table of costs specified in Schedule 6 of the Trade Marks Regulation.

Helen R. Hardie
Assistant Registrar
17 June 1994