



TRADE MARKS ACT 1995

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

Objection to Application for Extension of Time to File Notice of Opposition to Trade Mark Application No 672041 in the Name of WORKING SYSTEMS SOFTWARE PTY LTD

Background

Trade mark application 672041 was advertised as accepted for registration on 15 August 1996. The prescribed period during which a person was able to oppose the registration of the trade mark by filing a notice of opposition therefore expired on 15 November 1996 in accordance with s52 of the Act and reg 5.1 of the Trade Marks Regulations. On the last day of that period an application for an extension of time until 15 February 1997 was filed by Spruson & Ferguson, patent attorneys, on behalf of Chiron Corporation on the ground of “the conduct of genuine negotiations between that person and the applicant for registration” which is a ground for applying for an extension of time as prescribed in reg 5.2 which is in the following terms:

Extension of time for filing—grounds

5.2 (1) A person may apply to the Registrar for an extension of time in which to file a notice of opposition.

(2) An application for an extension of time may be made within the period for filing a notice of opposition referred to in regulation 5.1 on 1, or more than 1, of the following grounds and on no other ground:

- (a) an error or omission by a trade marks officer;
- (b) an error or omission by the person applying for the extension of time, or by the person’s agent;

- (c) circumstances beyond the control of the person applying for the extension of time;
- (d) the conduct of genuine negotiations between that person and the applicant for registration;
- (e) the undertaking of genuine research to decide:
 - (i) whether opposition is justified; or
 - (ii) on the grounds of opposition.

(3) If the period for filing a notice of opposition has ended, an application for extension of time may be made at any time before the trade mark is registered on 1, or more than 1, of the grounds set out in paragraph (2)(a), (b) or (c) and on no other ground.

The application for extension of time to 15 February 1997 was allowed.

On 14 February 1997 a second application for extension of time to 15 May 1997 to file notice of opposition was made on the same ground as the first. By letter dated 27 February 1997 Spruson & Ferguson were notified by a senior examiner that the extension was not allowable because, the period for filing notice of opposition having ended, an application for extension of time could be made on one or more of the grounds set out in paras (a), (b) and (c) of subreg 5.2(2) and on no other ground. The stated ground was not one of those grounds. Spruson & Ferguson were therefore advised that the Registrar proposed to refuse the application unless a request for a hearing was received within 14 days.

“The period for filing a notice of opposition” is defined in reg 5.1:

Time for filing notice of opposition

5.1 For the purposes of subsection 52 (2) of the Act (which deals with notice of opposition), the period for filing a notice of opposition is 3 months from the day on which the acceptance of the application is advertised in the *Official Journal*.

The period for filing notice of opposition therefore ended on 15 February 1997 so that any application for an extension of time made after that date could be validly made only on the grounds set out in paras (a), (b) and (c) of reg 5.2(2).

The official letter was received by Spruson & Ferguson on 4 March 1997. On the following day, 5 March 1997, they filed a notice of opposition together with an application for an extension of time from 15 February 1997 to 5 March 1997 made on the ground specified in reg 5.2(2)(b), that is, error or omission by the person applying for the extension of time, or by that person's agent. The supporting declaration by Ms Tracey Savage, an employee of Spruson & Ferguson, stated that the application for extension filed on 14 February was "clearly lodged in error because the Notice of Opposition should have been filed by the deadline of 15 February 1997".

On 18 March 1997 the senior examiner notified Spruson & Ferguson that the above statement in itself was not sufficient to support the ground claimed and that the accompanying declaration did not indicate the reason why the notice of opposition was not filed by the due date. He went on to add that if, for example, an incorrect diary entry had led to the failure to file the notice and the information was submitted in declaratory form then consideration could be given to the application under reg 5.3.

On 27 March 1997 Spruson & Ferguson filed a third application for an extension of time to file the notice, this time from 15 February 1997 to 25 March 1997, despite the fact that the notice of opposition had been filed on 5 March 1997. Once again the ground claimed was error or omission and in the accompanying statutory declaration Ms Savage stated that Spruson & Ferguson had two means of monitoring deadlines, one of which was the employee's personal diary and the other a computer-generated reminder system. She had diarised this matter for 13 February 1997 to apply for an extension of time. On 14 February she had filed the application for the extension and crossed out her diary entry of 13 February. She stated that she had made an error in applying for an extension of time rather than filing notice of opposition and accordingly required an extension of time from 15 February to 25 March to file notice of opposition. A copy of her personal diary for 13 February is annexed to the declaration. Under that date appears the annotation "10020/25 get extn". It appeared from later correspondence that the number "10020/25" was Spruson & Ferguson's own reference for application 672041.

On 30 April a fax addressed to the Deputy Registrar, Hearings, was received from Clayton Utz, solicitors for the trade mark applicant, Working Systems Software Pty Ltd, stating that they had

received the extension of time requests to 5 March and 25 March from Spruson & Ferguson as well the official notification. They pointed out that the application dated 5 March was made out of time and that the one dated 27 March made no mention of why the computer-generated system had failed to alert Ms Savage to the fact that the extension application was out of time. They objected to the extension application because of the delay in obtaining registration of their client's trade mark.

On 12 May a hearing officer notified both parties that in view of the objection raised by Clayton Utz the Registrar intended to set the matter down for hearing.

On 16 May Ms Savage filed a further declaration in which she explained the operation of her firm's computer-generated reminder system. Ten days before an approaching deadline the computer system produced a reminder notice of the impending deadline and required an employee to advise what action had been taken. On 14 February 1997 the reminder form gave her the options of requesting an extension of time or filing notice of opposition. However, the system did not inform her that she had already applied for an extension of time within which to file a notice of opposition to application 672041. In requesting an extension of time, therefore, she had made an error because of an incorrect diary entry and because the computer-generated reminder was not set up to give her only the option of filing notice of opposition. A copy of a form headed AUSTRALIAN TRADE MARK OPPOSITION POLICING and including the instruction COMPLETE & RETURN TO RECORDS MANAGEMENT is annexed to this declaration. The form offers the options EXT TO OPPOSE/NOTICE OF OPPOSITION together with a due date. In the section headed ACTION TAKEN once again the options given are "--Months extension requested on (date)" and "Notice of opposition Lodged on (date)". The number 3 and the date 14/2/97 have been entered in the former. Under NEXT ACTION: Evidence in Support/Notice of Opposition the latter has been circled.

The matter was set down for hearing on 20 June 1997. Neither party appeared at the hearing preferring to rely on the material on file including the extension application and the supporting documents.

Decision

The extension application filed on 14 February 1997 was clearly invalid as it nominated a ground that was simply unavailable to the applicant at that date. The application filed on 5 March was out of time and required itself an extension of time which necessitated the applicant's showing that the late filing was itself due to error or omission, to circumstances beyond the control of the applicant or to special circumstances, under s224 of the Act. In other words, the application for extension to file notice of opposition itself needed to be supported by an application for extension of time. The application was clearly in response to the official letter of 27 February pointing out that the stated ground was not available. The notice of opposition and the request for extension of time for filing it were filed the next day claiming that the first application was filed because of error or omission.

The concept of error or omission on the part of an applicant or its agent appears for the first time in Australian trade marks legislation in the 1995 Act. It has a long history, however, in patents legislation and has been refined by a series of decisions of the courts and the Commissioner. In *Biosys v Ecogen Australia Pty Ltd* 26 IPR 668, for example, which dealt with reg 5.9(1)(a) of the Patents Regulations, an application for amendment to the grounds of opposition, the delegate of the Commissioner observed:

The term "error or omission" has been considered many times in decisions concerning s223 (and its equivalent, s160 of the *Patents Act 1952* (Cth)). I consider that it would be inappropriate to give a different meaning to the term "error or omission" when used in reg 5.9(1)(a)...Thus, it is apt to apply the following formulation: "an error or omission has been considered to have occurred where there has been a breakdown in procedure in effecting a party's intention": *Stork Pompen BV v Weir Pumps Ltd* (1988) 11 IPR 542 at 546; this point was not overturned in the decision of the AAT reported at 13 IPR 163. As a consequence, the intention of the party with respect to doing some act is an essential preliminary to the demonstration of an error or omission. I think that the letter from the opposition clerk expressed the situation accurately when it said "the matter of whether or not there has been an error or omission should be assessed by having regard to the actions and intentions of the opponent on or before the date of filing the statement of grounds and particulars".

Applying that statement to an application for extension of time, what were the intentions of Ms Savage at the relevant time? The application dated 14 February was accompanied by a declaration made that same day by Ms Savage. In it she stated:

10. On 3 February 1997, we contacted the applicant's solicitors by facsimile transmission noting that we had not received this explanatory material and advising that we intended to apply for a *further* extension of time within which to lodge Notice of Opposition to application 672041. (My emphasis).

Having declared in her statutory declaration on the very day the application for extension of time was lodged that her intention at that time was to apply for a *further* extension I think that she cannot be heard to say now that she was not aware that an earlier extension had already been applied for or that she was not reminded of that fact on 6 February when the computer-generated reminder notice was produced. Her "incorrect" diary entry is evidence of no more than that she intended all along to apply for an extension of time and had never formed the intention to file a notice of opposition at any time up until the date of filing the application for the extension.

In *Kimberly-Clark v Commissioner of Patents (No 3)* 13 IPR 569 it was strongly submitted by counsel for the Commissioner that unless the words "error or omission" were limited by construction to that which was unintended or which had been produced by accident or inadvertence, every failure to do an act or take a step within the time prescribed by the Act, to the causing of which failure some mental process contributed which the Commissioner considered erroneous, would satisfy the condition specified in s160(2)(a). That, they said, would reduce those provisions to the status of a general discretionary power. Jenkinson J rejected that argument. He referred to the second reading speech of the Attorney-General on the Bill which brought about the inclusion of the provisions relating to error or omission on the part of the person concerned or his agent or attorney as circumstances enlivening the power of extension conferred by s160 of the *Patents Act 1952*. The provision had been included because of representations made to the Dean committee, which had recommended certain changes to the Act, that through pressure of business in offices of patent attorneys errors did occur that resulted in acts that ought to be done not being done. The committee therefore recommended that an error or omission on the part of an applicant, or of his agent or attorney be made an additional ground for extending the time for the doing of an act. Section 160 was therefore amended to give effect to that recommendation. His Honour observed that in that

context it might be thought that Parliament was concerned with accidental slips which frustrate an intention formed to do an act or to take a step within the time required, and not with errors or omissions the products of deliberation. His Honour then went on:

But the same amending act of 1960 substituted for the words “an error or action on the part of an officer or person employed in the Patent Office” in s160(1) the words “an error or omission on the part” of such a person. A deliberate choice of the same collocation of words was thus made to designate the aberrations of a person holding office or employment in the Patent Office and “of the person concerned or of his agent or attorney”, by reason whereof a consequence of the same description ensued. It is in my opinion difficult to suppose that only the inadvertences and accidental steps, and not errors resulting from faulty reflection, of the former class of persons were intended by the draftsman to be within s160(1). Further, the word “error” is not easily assigned a clear meaning restricted by reference to one or several particular categories of flawed mental function. The attempt is likely to lead to the drawing of fine and often unrealistic distinctions. And some errors of judgment by agents and attorneys may be as bizarre and as little to be anticipated as lapses of memory and accidental slips. Although the latter kinds of error may be those which the draftsman had principally in mind, I do not think the phrase “error or omission” should be given by construction the restricted meaning which the delegate assigned, and accordingly I conclude that this ground of the application has been established.

I do not think that the conclusion I have reached reduces s160(2)(a) to a mere general power of extension. By no means every judgment by “the person concerned” or by “his agent or attorney” which can be shown to have been mistaken will answer the description “error or omission” in the ordinary meaning of those words, which in their context carry, in my opinion a connotation of obviousness in error.

It appears from this part of Jenkinson J’s judgment that the words “error or omission” should be given their plain, ordinary meaning and are not to be taken as a term of art. They should not be restricted by construction to certain categories of aberration of thought or behaviour such as misunderstanding, ignorance of the law, confusion or deception etc, or to mere inadvertences or accidental slips. Moreover, the error or omission must be obvious.

If it can be shown that there has been an error or omission it must also be shown of course that the error or omission was the cause of the late filing of the extension application. In the *Kimberly-Clark* case Jenkinson J had to consider the words “by reason of” which were the words used in s160 of the 1952 Act. He referred to the words of Beaumont J in *Lyons v Registrar of Trade Marks* (1983) 50 ALR 496 at 509 in relation to the same wording in s131 of the *Trade Marks Act 1955*:

The meaning of the phrase “by reason of” has been considered in a number of authorities. In *Main Electrical Pty Ltd v Civil & Civic Pty Ltd* (1977) 19 SASR 34, Bray CJ said that the phrase implies a relationship of cause and effect but it is a relationship which may be *indirect*: see *The Diamond* [1906] P 282; see also *Vickers v Young* (1982) 43 ALR 389 at 407; In *R v Justices of the Peace at Yarram; Ex parte Arnold* [1964] VR 31, Sholl J held (at 24) that “by reason of” could extend to *consequential matters*. In my opinion, the phrase, where used in s131, *should be given the meaning explained in these cases*. (Emphasis added).

Jenkinson J went on to say that in his opinion it was sufficient to come to the conclusion that some prior error or omission had contributed to cause the failure to lodge the notice even if other circumstances also apparently contributed to the making of the relevant decision. All that was required was that once an error or omission had been established that there was some link between that error or omission and the failure to lodge the notice of opposition within three months. Although the words now used in s223 of the *Patents Act 1990* and s224 of the *Trade Marks Act 1995* are “because of” I do not think they make any material difference to the application of the decided cases on the earlier provisions on error or omission.

Jenkinson J also held that the failure to do an act or to take a step was not of itself an “error or omission”:

Mr Handley submitted that the failure to do the act or to take the step postulated in respect of an application for exercise of the power conferred by s160(2)(a) cannot itself be the “error or omission” by reason whereof the failure occurred. I accept that.

Likewise, in *Toyo Seikan Kaisha Ltd v Nordson Corporation* 5 IPR 388 the delegate of the Commissioner held that the plain meaning of s160(2) of the *Patents Act 1952* required the establishment of some error or omission antecedent to the failure to perform the act or step; the “error or omission” must be the cause of the failure to perform the act or step in good time. The failure to lodge notice of opposition in time cannot of itself be treated as the “error or omission” for the purposes of s160(2); see also the decision of the delegate of the Registrar in *Stadium Australia Limited v Stadium Sports Franchising Pty Ltd* (unreported).

Jenkinson J also referred in the *Kimberly-Clark* case to *Vangedal-Nielsen v Commissioner of Patents* (1980) 33 ALR 144 at 150 with regard to the matter of making out a proper case justifying an extension referred to by Bowen CJ in that case. Jenkinson J held that an applicant for extension of time would in his opinion have to go beyond a disclosure of the processes by which an agent's errors came to be committed, and would have to expose frankly, inter alia, all the conduct, knowledge, beliefs and mental processes of the applicant (or, in the case of a corporation of the relevant officers and other agents) relevant to an understanding of the way the failure to do the act or take the step occurred, or relevant to an evaluation of the reasonableness of that conduct.

While the cases decided under s223(2)(a) of the *Patents Act 1990* and its predecessor s160(2)(a) of the *Patents Act 1952* are a useful guide to the meaning of "error or omission" in s224(2)(a) of the *Trade Marks Act 1995* and in reg 5.1(2)(a), in the case of the latter the cases should be used with caution and the analogy should not be pressed too far. Regulations 5.1 to 5.4 of the Trade Marks Regulations constitute a code or exhaustive set of provisions governing the extension of time for filing notice of opposition which therefore exclude the operation of s224. The above provisions of the Patents Acts and s224 of the *Trade Marks Act 1995* confer a general discretion on the Commissioner and Registrar respectively and therefore bring into play questions of the public interest, the respective interests of the parties, whether there has been undue delay etc. The characteristic of the code contained in regs 5.1 to 5.4 of the Trade Marks Regulations is the absence of discretion: if the Registrar is reasonably satisfied as to the grounds set out in the application the Registrar *must* grant the extension of time. In particular, in the present instance, reg 5.4(4) provides:

(4) If an application for extension of time is made after the period for filing a notice of opposition has ended, the Registrar *must not* grant the extension unless the Registrar is reasonably satisfied that there is sufficient reason for the application not being made before the end of that period. (Emphasis added).

However, in my opinion if the Registrar is to be reasonably satisfied that there is sufficient reason to grant the extension the matters considered by Jenkinson J as to full and frank disclosure, and especially in relation to matters relevant to the reasonableness of the conduct of the applicant, are equally applicable under reg 5.4(4).

Conclusion

In light of Ms Savage's reference in her statutory declaration of 14 February 1997, the date of filing of the application for the first extension of time, to her intention of lodging a further application for extension I find that she is estopped from later asserting that she was unaware of the fact that an earlier application for extension of time had been filed. The "error or omission" claimed was no more than a failure to file the notice of opposition in time which of itself is not an error or omission in terms of the regulation. The power of the Registrar to grant the extension of time was not therefore enlivened and in accordance with reg 5.4(4) I have no alternative but to refuse the application.

Michael Homann
Hearing Officer

25 June 1997