



TRADE MARKS ACT 1995

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

Re: Opposition by MADEC to registration of trade mark application 827369(41) -
MADEC - filed in the name of E.F. Gutenkunst Teachers Centre.

Background

Trade mark application number 827369 was filed on 6 March 2000, by E.F. Gutenkunst Teachers Centre. The application was in respect of the trade mark MADEC in class 41 of the *International (Nice) Classification of Goods and Services*, for "providing education (professional development) and training". The E.F. Gutenkunst Teachers Centre is based in Mackay, Queensland and operates the "Mackay and District Education Centre", from the first initials of which their trade mark MADEC is derived.

On 19 September 2000, prior to examination of the subject application, the Trade Marks Office ("the Office") received a letter from Mr Kirk Warren, Chief Executive Officer ("CEO") of a Victorian educational organisation also operating under the name of MADEC. In this case, however, the name is derived from the initials of the "Mildura and District Education Council". Mr Warren's letter was headed "Re: Opposition to Trade Mark Number - 827369". The Official reply to Mr Warren advised, amongst other things, that opposition would not be available to his organisation until the application had been examined and, if found acceptable, advertised as such in the *Official Journal of Trade Marks*.

For convenience and clarity, from this point I will refer to the opposing parties as they have referred to themselves and each other in their submissions. The trade mark

applicant will be referred to as "MADEC Mackay" and the prospective opponent as "MADEC Mildura".

Examination of MADEC Mackay's application proceeded, and its acceptance was advertised in the *Official Journal of Trade Marks* on 1 February 2001. The three months allowed for filing notice of opposition to registration of the trade mark under the provisions of subsection 52(2) of the *Trade Marks Act 1995* ("the Act") and regulation 5.1 of the *1995 Trade Marks Regulations* ("the Regulations") ran until 1 May 2001. On 23 February 2001, an application to extend that period until 1 August 2001 was filed on behalf of MADEC Mildura. The grounds upon which the application was based were those allowed under paragraph 5.2(2)(d): "the conduct of genuine negotiations between [the person applying for the extension] and the applicant for registration". The extension was granted, but the new deadline of 1 August passed without a notice of opposition being filed.

On 3 September 2001, Mr Warren filed a second application on behalf of MADEC Mildura for a further three months' extension of time. This time, two additional grounds, as cited in paragraphs 5.2(2)(b) and (c) respectively, accompanied the original ground of "genuine negotiations". These were "an error or omission by the person applying for the extension of time, or by the person's agent", and "circumstances beyond the control of the person applying for the extension of time". A notice of opposition was filed simultaneously. There were several issues with this new application and the notice of opposition that required resolution, before the application could proceed. The Office advised Mr Warren that:

- As the extension application was "late", that is, outside the three month period for filing a notice of opposition allowed under regulation 5.1, a supplementary late fee was payable.
- Further, the application should be supported by a declaration explaining the circumstances that had occurred that had led to the application being made out of time.

- The grounds cited in the notice of opposition - "we also wish same trade mark of MADEC", and "we are currently in negotiations to share - MOU [memorandum of understanding] being developed" were not allowable under the Act.
- Finally, the application, supporting documentation and notice of opposition must be served on the applicant, and the Office provided with full details of that service.

Mr Warren duly filed, on 14 September 2001, a statutory declaration in support of the late extension of time, a new notice of opposition and some details of service of the same on the trade mark applicant. The declaration, made by Mr Warren, supported the grounds of "error or omission" and "circumstances beyond the control" with the explanation that "due to a staff departure from my organisation this matter was not picked up in time for the matter to be completed within the original time frame." In relation to the further ground of "conduct of genuine negotiations", the declaration stated:

Extensive verbal discussions have been held with the CEO of the applicant organisation which have led to the commission of the development of a MOU by my Solicitor for co-existence. This MOU is not yet complete and was also impacted by the change in staffing arrangements.

By letter dated 25 September 2001, Ms Deirdre O'Brien, a Senior Examiner in the Hearings Section, responded to Mr Warren. She advised him that the details of service he had provided were not sufficient to meet the requirements of the regulations. He needed to notify the Office when the documents were served, and by what means they were served. She then went on to point out that the ground of "genuine negotiations" was not available as a ground for filing a *late* application for extension of time. Further, she was not satisfied that the supporting statutory declaration provided by Mr Warren provided enough information to establish the facts and circumstances that led to the failure to file within time. Ms O'Brien then allowed fourteen days from the date of her letter, for a *supplementary declaration* to be filed to overcome this deficiency. She specified that more detail should be provided regarding:

- the identity of the member of staff who had left the organisation,
- whether they had instructions to file an extension application in time,
- who would have been responsible for the matter after that person left, and
- why that new person was not able to file the application within time.

By *letter* dated 4 October 2001, Mr Warren confirmed details of service upon the applicant of the extension application, and also of his current correspondence. In regard to the background to the late extension application, he wrote:

The Trade Mark portfolio was allocated to our Special Projects Co-ordinator who left at short notice after less than 3 months with the organization. This officer had been in contact with Ms Dianne Lindores, the then CEO of MADEC MacKay - QLD, to the extent that, by mutual arrangement, a Memorandum of Understanding to assign rights and protect the interests of both parties, was being developed.

Since the negotiations commenced, the appointment of a new CEO at MADEC - MacKay has necessitated additional briefings and background information, thus slowing the process further.

The departing Special Projects Co-ordinator failed to brief me of this outstanding matter prior to his departure. This position remains unfilled to this day owing to the lack of suitable applicants for the position. Consequently, owing to the importance of this matter, I have transferred the responsibility back to my office.

Ms O'Brien replied on 11 October that the new material sent by Mr Warren was not in declaratory form, as had been requested. Further, she indicated that the information she had been given did not demonstrate that MADEC Mildura had had, at the time the extended opposition period ran out, a fixed intention to oppose that had somehow been thwarted in its execution by an error or omission. These guidelines for interpretation of the phrase "error or omission" were set down by the Federal Court in *Chiron Corporation v Registrar of Trade Marks*, 1998, 42 IPR 75. Ms O'Brien wrote that "a mere failure to file within time does not constitute an error or omission". She allowed fourteen days from the date of her letter within which MADEC Mildura could request a hearing, or the extension application would be refused.

The hearing

Mr Warren requested a hearing, by telephone, on the matter. This came before me, as a delegate of the Registrar, in Canberra on 22 November 2001. The trade mark applicant, MADEC Mackay, was invited to attend. To date, neither party has elected to be legally represented before the Office in these proceedings. Mr Warren represented the prospective opponent, assisted by Mr Jim Hocking, also of MADEC Mildura. Written submissions by the CEO of MADEC Mackay, Ms Julie Enright, were tendered for the hearing.

The trade mark applicant's submissions

Ms Enright's submissions on behalf of MADEC Mackay opposed the granting of a second extension of time to MADEC Mildura. Her arguments were based upon the length of time that the matter had already taken, what she perceived to be a distinct lack of progress in negotiations to date, and her organisation's dislike for what it considered to be an inappropriate proposal for co-existence by MADEC Mildura. This proposal related to the geographical restriction of each party's operations. Generally, the submissions went more to the substantive matters of dispute and negotiation between the parties than to the technical issue of the validity of the grounds for the extension, the determination of which was the purpose of the hearing. However, Ms Enright took particular exception to Mr Warren's partial justification for the need for a second extension, quoted above, that "since the negotiations commenced, the appointment of a new CEO at MADEC - MacKay has necessitated additional briefings and background information, thus slowing the process further". She explained in her submissions that this was indeed not the case, as she had been fully (and quickly) briefed on the matter upon taking up her appointment.

Ms Enright also listed a string of frustrating misunderstandings between the parties' previous and current negotiators, over whose responsibility it was to prepare a draft Memorandum of Understanding. She said that MADEC Mildura had originally agreed to draft the document, and send it to MADEC Mackay for "interpretation and review". No document had yet been received, despite the original arrangement being made (by telephone) on 3 April 2001 and further clarification (also by telephone) occurring on 4 July, 5 July and even as late as 7 September. The last clarification, after the final

date for filing notice of opposition had passed, was made by Ms Enright herself after Mr Warren began a phone call to her by "asking for the Memorandum of Understanding".

The prospective opponent's submissions

Mr Warren's submissions on behalf of MADEC Mildura focused, like Ms Enright's, on many substantive opposition matters not at issue during an extension of time hearing. He described some of the history and activities of his organisation, which (like MADEC Mackay) has been in existence for about thirty years. However, he did make clear during the course of his submissions that, at the date when time ran out for MADEC Mildura to file its notice of opposition, it *had* formed the requisite intention to oppose. Indeed, said Mr Warren, it had carried this intention since it became aware of the subject application on 14 September 2000, the somewhat premature "letter of opposition" described earlier having been expeditiously written and posted to the Office the following day. Mr Warren continued that, on 1 August 2001, he, as CEO of MADEC Mildura, was fully aware that in the absence of an appropriate agreement being reached by that date through the negotiations initiated with MADEC Mackay, the next move was to file a notice of opposition. His intention in doing this was to preserve his organisation's position while the settlement he is confident of is negotiated between the parties. However, MADEC Mildura was thwarted from taking the necessary step by the unexpected staff turnover at the critical time.

I explained to Mr Warren that although his submissions at the hearing had further clarified some of the issues, and supported the explanation he had already provided by letter, much of this material was not before me in proper evidentiary form. I then allowed MADEC Mildura a week from the date of the hearing, within which to put the information I had been given into declaratory form, and file it with the Office. A formal declaration of the circumstances under which MADEC Mildura failed to file its notice of opposition, made by Mr Warren and dated 28 November 2001, was duly provided to me. In line with Mr Warren's original declaration, it cites the grounds for the extension as "error or omission" of the relevant officer responsible for the task, and "circumstances beyond MADEC Mildura's control", being the unexpected departure of that officer in the midst of proceedings.

Discussion

Under regulations 5.2 and 5.4, before granting an application for extension of time, the Registrar must be reasonably satisfied as to the validity of the ground(s) set out in the extension application. If the application is late, the Registrar *must not* grant the extension unless he or she is reasonably satisfied that there is sufficient reason for the application not being made before the end of the opposition period (subregulation 5.4(4)). The only grounds available to an applicant for an extension of time made late are:

- An error or omission by a trade marks officer (paragraph 5.2(2)(a))
- An error or omission by the person applying for the extension of time, or by the person's agent (paragraph 5.2(2)(b))
- Circumstances beyond the control of the person applying for the extension of time (paragraph 5.2(2)(c)).

No issue has been raised in this case over error or omission by a trade marks officer, as provided for under paragraph 5.2(2)(a). I must decide here whether there was sufficient reason, in terms of paragraphs 5.2(2)(b) and/or (c), and subregulation 5.4(4), for MADEC Mildura's failure to file either its notice of opposition, or its request for an extension of time to do so, within the period allowed.

I will take the two provisions of subregulation 5.2(2) in reverse order, and firstly consider the question of whether there were circumstances beyond MADEC Mildura's control that prevented it from acting upon its intention to oppose in time.

Jenkinson J discussed the concept of circumstances beyond a person's control in *Atomic Skifabrik Alois Rohrmoser v The Registrar of Trade Marks*, 1987, 7 IPR 551, at page 558:

In the context in which it is found, the expression “circumstances beyond the control of the person concerned” does in my opinion designate - and designates only - occurrences which neither the person concerned nor any person acting on his behalf to do the act or take the step could prevent. The operations of nature and the activities of strangers may result in such occurrences. So, too, may the

acts and omissions of certain independent contractors engaged by the person concerned or by his agent, as for example the carrier of mail or the office cleaner, either of whom causes the loss or destruction of a document to be filed...The section is, I think, correctly described as a force majeure provision.

His Honour was actually discussing section 131, an extension of time provision under the previous *Trade Marks Act 1955*, but his description is equally applicable to the reference in paragraph 5.2(2)(c) of the current Regulations.

Butterworths' *Legal Words Dictionary* (2000), defines "force majeure" as "a coercion which cannot be resisted; a superior force". The *Oxford English Dictionary* (Second Edition) similarly defines it as an "irresistible force or overwhelming power", and gives its derivation as "a French commercial term for unavoidable accidents in the transport of goods, from superior force, the act of God, and etc." My consideration of the circumstances surrounding MADEC Mildura's failure to act in the matter at hand does not support the contention that it was prevented from doing so by an irresistible force. No occurrence has been described to me, in the course of events leading to the late filing, which "neither the person concerned nor any person acting on his behalf to do the act or take the step could prevent". Such grounds mainly come into play, I believe, when a prospective opponent can demonstrate that it has already prepared its notice, or application for extension of time to do so. Having reached that point, it has been prevented from properly filing that document in time, due to some kind of unavoidable accident that it could not have hoped to anticipate.

I do not accept that MADEC Mildura's late application for extension of time is justified under the provisions of paragraph 5.2(2)(c).

However, on balance, I believe it has a case in terms of paragraph 5.2(2)(b). Jenkinson J, in *Kimberly-Clark Ltd v Commissioner of Patents and Minnesota Mining and Manufacturing Ltd*, 1988, 13 IPR 569, considered an application grounded on error or omission, where the error or omission claimed was the failure to do the act that brought on the need for the extension. He found that the failure to do the act itself was not an error or omission which constituted a ground for an application to extend the time for doing that act. At page 580 he said:

...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) [of the *Patents Act 1952*] cannot itself be the "error or omission" by reason whereof the failure occurred. I accept that.

Senior Examiner O'Brien expressed her concern that the grounds for MADEC Mildura's late application for extension of time were supported by the same circular rationale, in her letter of 11 October 2001, mentioned above. However, at this point, I believe that I have been given sufficient explanation of the circumstances surrounding the application, to allow me to determine that an "error or omission", beyond the mere failure to file a notice in time, has occurred.

In coming to this conclusion, I return to the words of Jenkinson J in *Kimberly-Clark* (supra), at pages 579-80:

...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...

...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.

These words are a guide to a commonsense approach to what might constitute an error or omission. They encompass "lapses of memory" and "accidental slips" and, importantly, they draw attention to the fact the error or omission should be obvious. Such is the situation here. The CEO of MADEC Mildura had always intended that a notice of opposition should be filed - indeed, he had first expressed that intention as early as September 2000. Mr Warren has declared that:

MADEC Mildura acknowledges that it was/is aware of the time frames and procedures required to formally file notice of objection to the registration of the Trade Mark 'MADEC' and was undertaking this action when, due to error or omission of relevant follow through by departing and new staff, the action was inadvertently stopped.

I am satisfied on the evidence before me that, had all gone according to plan, the notice would have been filed within time. The CEO of MADEC Mildura fully

intended to continue the opposition process, to allow his organisation to explore with MADEC Mackay the avenues of negotiation he believes will ultimately bear positive fruit, in the form of a "mutually acceptable Memorandum of Understanding" settled between the parties.

However, it appears the relevant date for filing the notice was inadvertently overlooked (and negotiations began unravelling towards a memorandum of *misunderstanding*) after the original incumbent of the position of Special Projects Co-ordinator in MADEC Mildura resigned. The progress of negotiation and monitoring of timeframes was stalled while the position remained empty for a period. Then, even after it was filled again, the passing of the final date for filing notice of opposition "slipped through the cracks", when the replacement officer left abruptly after only 3 months in the job, without properly addressing himself to the issues. This was, as Mr Warren declared, "despite a full briefing in relation to the urgency of the matter, the time frames and a full briefing on the procedures to be followed." Mr Warren himself has now resumed responsibility for prosecution of MADEC Mildura's prospective opposition.

It is clear to me that despite the initial actions taken by Mr Warren to prosecute the opposition - the original "letter of opposition", the first application for extension of time to file notice of opposition - errors and omissions then occurred that halted its progress. The new Special Projects Co-ordinator omitted to follow the procedure for filing the notice outlined by Mr Warren. Mr Warren himself, it appears, made a significant error in trusting that matters were in hand, without checking that this was indeed the case. These circumstances comprise the "accidental slip" that thwarted MADEC Mildura's intention to file the notice of opposition in time, and caused the need for a late application for extension of that time. Occurring as they did after the actions already taken towards opposition by Mr Warren, they carry the kind of "obviousness in error" described with approval by Jenkinson J.

Decision

I have decided that MADEC Mildura's late application for extension of time to file notice of opposition satisfies the requirements of both paragraph 5.2(2)(b), and

subregulation 5.4(4) of the Regulations. Accordingly, as delegate of the Registrar, I hereby grant the extension, to 1 November 2001. This means that MADEC Mildura's notice of opposition, which was forwarded with the extension application, has been filed within time.

If the normal course of an opposition was followed from that point, the three months allowed for MADEC Mildura to file and serve evidence in support of its opposition would already have expired. In light of the stay that has been placed on proceedings while the acceptability of the extension application was settled, I propose to issue a direction, under regulation 5.16, to set the final date for service of evidence in support at three months from the date of this decision. However, before I issue that direction, I will allow one month within which either party may make representations to me (and serve them on the other side) in relation to the matter.

Costs

Neither party has made representations to me on the subject of costs, and I make no award.

Claudia Murray
Hearing Officer
17 January 2002