

TRADE MARKS ACT 1994

In the matter of an Interlocutory Hearing request by Sanderson Brookstreet Ltd (the Opponents) for an extension of time within which to file evidence in support of Application number 2155018 standing in the Name of Active Voice Corporation in Opposition proceedings (Opposition 51346).

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IN THE MATTER OF an Interlocutory Hearing request by Sanderson Brookstreet Ltd (the Opponents) for an extension of time within which to file evidence in support of Application number 2155018 standing in the Name of Active Voice Corporation in Opposition proceedings (Opposition 51346).

At an Interlocutory Hearing on 3 May 2001, I granted the opponents an extension of time up until the date of the hearing i.e. 3 May 2001 to allow into the proceedings the filing of one statutory declaration by Brian Dewis. This statutory declaration formed the totality of the opponents' evidence in chief under rule 13(7).

On 21 May 2001 the applicants filed a form TM5 requesting a statement of reasons for my decision.

Background

The background is as follows:

Active Voice Corporation applied under application number 2155018 to register the mark UNITY in class 9 for the following specification:

Class 09: Computer programs and communications apparatus for managing and integrating telephone calls, voice messaging, paging, electronic mail, automated attendant and facsimile functions; but not including any such goods being synthesisers and speech output devices for use by individuals with speech impediments.

The application was advertised, with the above specification, for opposition purposes on 7 January 1998. On 30 August 2000, Sanderson Brookstreet Limited filed opposition in accordance with section 38(2) of the Trade Marks Act 1994. The applicants filed a Form TM8 and counter-statement on 8 December 2000. On 21 December 2000, the registrar sent to the opponents a copy of the Form TM8 and counter-statement and invited them to file evidence in support of their opposition within three months of the date of the letter. Evidence was therefore due to be filed on or before 21 March 2001.

On 8 March 2001, the opponents requested an extension of time of three months, to 21st June 2001, to file evidence in support of their opposition. The request was made on a Form TM9 together with the required fee. The reasons given on the Form TM9 were:

“The Opponents are still collecting evidence to support their opposition.”

By way of a letter dated 19 March 2001, the registrar advised the opponents of her preliminary view to refuse the extension of time request because the reasons given did not mention why the evidence was not available within the initial period.

By way of a facsimile dated 27 March 2001 from their Trade Mark Attorneys, Saunders & Dolleymore, the opponents gave further reasons for the extension which included:

“The Opponents are a large and Busy organisation. We take instructions from one member of the organisation, who has had to contact the appropriate members/department of the organisation to obtain the required information and evidence. She has then had to consider the information before her, follow this up with requests for further information before forwarding to us in order that we can prepare and present it in the appropriate manner as required by the registry. Unfortunately it is not always possible to turn this type of exercise around within the three month period, hence the request for the extension, particularly when a search of archived material needs to be conducted. We also hope to obtain statements from sources independent of the opponent company. This needs thorough research before approaching others, and is difficult to hurry when dependant on the goodwill of others. We can assure you that progress has been and continues to be made, and providing all goes according to plan, Statutory Declarations will be filed by 21 June 2001. Further we, believe that it is in the opponents and general public’s interest that this extension is granted, and the opponents be allowed to proceed in the normal manner.”

In the event of the registrar maintaining her preliminary view the opponents requested to be heard on the matter in accordance with Rule 54(1) of the Trade Mark Act 2000.

By way of a letter dated 5 April 2001, the registrar advised the opponents it remained the preliminary view of the registrar that the request for extension should be refused as the reasons for extension were not considered sufficient. An Interlocutory hearing was arranged and took place before me on 3 May 2001. The opponents were represented by Ms V Cowland of Saunders & Dolleymore, the applicants were represented by Ms F Mensah of Clifford Chance.

Opponent’s submissions

Ms Cowland opened her submissions by stating that the opponents had no wish to prolong the proceedings and this request was in fact the first extension of time request.

Ms Cowland said that although the opposition was filed in August and deemed effective in September 2000, the opponents did not want to be put to the expense of collecting and preparing evidence until the counter statement had been filed by the applicant. Ms Cowland made reference to a passage from *Liquid Force* [1999] RPC 429 wherein the Appointed Person found that when considering delay in filing evidence the relevant starting date was when the counterstatement was sent to the opponent by the Registrar as it is only then that the opponent knows if the opposition is being contested.

She argued that the opponents had advised the applicants in January 2001 that they would not be prepared to grant the applicant’s consent in respect of this application and so they were fully aware of the opponents’ position, but the applicants continued to attempt to obtain a registration.

The preparation of evidence had now been completed and Ms Cowland had with her a statutory declaration ready to be filed if the extension were allowed. Ms Cowland stated that the declaration which would form the totality of the opponents’ evidence. The extension of time therefore was required only up to the date of the hearing. She said that the opponents had therefore shown a degree of diligence in the preparation and the gathering of evidence.

Ms Cowland said that the delay in filing the evidence had been caused by the opponents' company being made up of nine individual units, with offices spread all over the UK. Information had to be obtained from the appropriate commercial manager who spent time 'on the road'. The communication link to this person had not always been straightforward and the information required was not always readily available.

She concluded by adding that if the extension was refused she thought that the opposition proceedings should not be deemed withdrawn and should continue as in her view the applicant's mark is identical to two of the opponent's registration and confusingly similar to the opponent's third registration. Further if the opposition proceedings were deemed withdrawn she indicated that the opponent's may consider filing further invalidity proceedings.

Applicant's submissions

Ms Mensah began her submissions by stating that she was not disputing any of the dates mentioned in the opponents' submissions. She referred me to the registrar's practice with regard to extensions of time, which she said was set out in a Trade Mark Practice Direction number 1/1/99. She pointed out that this indicated that full reasons in support of the extension request should have been provided. The extension request in question did not contain any detailed and compelling reasons to enable the registrar to determine the validity of the extension, and accordingly, in view of the practice direction, the opponents request for an extension had been properly refused. The opponents letter of 27 March 2001 which gave further reasons for the request, had not clearly shown what efforts were being made to collect evidence in support of their opposition.

She addressed in turn each point referred to in the opponents letter of 27 March 2001 detailing the opponents' further reasons in support of the extension request (my emphasis in italics being the opponents' further reasons):

The Opponents being are large and busy company; Ms Mensah submitted that this was not a reason for failure to compile evidence of use. Larger organisations were in her view, better placed to provide evidence in terms of having access to more resources.

Dealing with several persons in an organisation; Ms Mensa argued that was this was an irrelevant point and merely a question of time management.

A search of archive materials being required; Again she submitted that if materials were archived they should have been readily available. If not, no details had been given as to whether the search for any material had started and if so when the search started.

Hope to obtain statements from an independent company; "hope" she said was no reason for granting an extension of time.

To grant would be in opponents/public interest; if the extension was granted it would delay the current application and prejudice the applicant.

Ms Mensah argued that in this particular case a period of six months in which to compile evidence had effectively already been allowed. She referred to R v Register of Trade Marks ex parte S.A.W. Company S.A. [1999] RPC 291 at 508 where Jacob J stated that "six months is a very generous period for filing of evidence". This statement, she said, was also supported by Mr Matthew Clarke QC sitting as the appointed person in AJ and MA Levy's Trade Mark [1999] RPC 291 at 293. Ms Mensa noted that the reference in the S.A.W. Company case referred to an extended three-month period but considered the same principle applies.

Ms Mensah finished her submissions by referring to comments made by Mr Geoffrey Hobbs QC sitting as the Appointed Person in *Liquid Force Trade Mark* [1999] RPC 429, at 440 whereby Mr Hobbs stated:

“the delay should be assessed with reference to the period after the date on which the counterstatement was sent to the opponent because the opponent was under no obligation prior to that date to incur costs in connection with the preparation of evidence that may turn out to be unnecessary when and if the counterstatement was filed. However, the fact that there were no surprises for the opponent in the counterstatement as filed is a relevant factor.”

Ms Mensah said that in this case the applicants’ counter-statement indeed contained no surprises. She also referred to page 439 where Mr Hobbs stated:

“An advantage of allowing in the evidence ... is that it may well avoid a multiplicity of proceedings.”

and also

“.....I consider that the natural reluctance of the registrar to refuse an extension of time for filing evidence which has belatedly come to hand cannot be elevated to the status of an invariable rule. In order to leave room for justice to be done I think it is necessary to recognise that a contested application for an extension of time to file evidence should not necessarily “follow the event” (ie succeed if the evidence is available at the hearing of the application and fail if it is not) and should not automatically succeed on the basis that refusal is liable to result in the commencement of another action between the same parties covering essentially the same subject matter. I nevertheless agree that these are important factors to be taken into account when deciding whether an extension of time should be granted or refused.”

Ms Mensah argued that the extension in this case should not be granted just because the opponents may bring about another action.

Opponent’s submissions in reply

Ms Cowland submitted that proper reasons for an extension of time had been given. She argued that work had indeed progressed during the period and the opponents had been diligently gathering evidence. Evidence of diligence could be shown in the fact that the evidence had been brought to the hearing.

Ms Cowland said that as she had explained earlier, the delay had been caused by dealing with a manager who was difficult to contact and who had to be advised in how to prepare a declaration and what evidence was actually required. Some information was provided at an early stage but further clarification and, in particular evidence of use, was required.

In responding to Ms Mensah’s submission regarding the *AJ and MA Levy’s Trade Mark* case, Ms Cowland argued that the case dealt with a different situation. She noted in the case the application was for a second request for an extension of time. Here they were requesting their first extension of time.

In responding to Ms Mensah’s submission regarding the *Liquid Force Trade Mark* she noted that although not a determining factor, avoiding a multiplicity of proceedings was an important consideration in granting or refusing a request for an extension of time.

Decision

At the time of the Interlocutory Hearing, the registrar's power for extending time periods was provided for in rule 68 of the Trade Mark Rules 2000, which reads:

- 68 (1) The time or periods -
- i. prescribed by these Rules, other than times or periods prescribed by the rules mentioned in paragraph (3) below, or
 - ii. specified by the registrar for doing any act or taking any proceedings,
- Subject to paragraph (2) below, may, at the written request of the person or party concerned, be extended by the registrar as he thinks fit and on such terms as he may direct.
- (2) Where a request for the extension of a time or periods prescribed by these Rules-
- (a) is sought in respect of a time or periods prescribed by rules 13, 18, 23 or 25, the party seeking the extension shall send a copy of the request to each person party to the proceedings;
 - (b) is filed after the application has been published under rule 12 above, the request shall be on Form TM9 and shall in any other case be on that form if the registrar so directs.
- (3) The rules excepted from paragraph (1) above are rule 10(6)(failure to file address for service), rule 11 (deficiencies in application), rule 13(1) (time for filing opposition), rule 13(2) (time for filing counter-statement), rule 23(4) (time for filing opposition), rule 25(3) (time for filing opposition), rule 29 (delayed renewal), rule 30 (restoration of registration), and rule 41 (time for filing opposition).
- (4) Subject to paragraph (5) below, a request for extension under paragraph (1) above shall be made before the time or period in question has expired.

I considered that the extension of time request (by the opponents) filed on 8 March 2001 satisfied the provisions of rule 68 outlined above, the extension was sought in respect of the period set down in rule 13(7) which is not a period excepted by rule 68(3). The request was copied to the applicants as set down by rule 68(2)(a), it was made on Form TM9 as set out in rule 68(2)(b) and was made before the period in question had expired, rule 68(4) and the appropriate fee paid.

It was clear from the submissions put before me that during the initial three month period for filing their evidence the opponents had taken some steps towards the collation and preparation of evidence. The efforts made towards compiling evidence seems to me to indicate an intention to continue with the opposition proceedings. That intention was in my view supported by the fact that the completed evidence was brought to the hearing.

In reaching my decision, I took into account the following passage of Mr Geoffrey Hobbs Q.C. sitting as the Appointed Person in *Liquid Force* [1999] RPC at page 438 lines 32 through to 38:

“In the interests of legal certainty it is plainly desirable that valid applications for registration should succeed and valid objections to registration should be upheld without undue delay. The time limits applicable to opposition proceedings under the 1994 Act and the 1994 Rules were formulated with that consideration in mind. The registrar endeavours to ensure that prescribed time limits are observed, subject to his power to grant fair and reasonable extensions of time in appropriate cases”.

I also took into account comments made by Mr Simon Thorley acting as the Appointed Person in the matter of *Dr Ghayasuddin Siddiqui v Dr M.H.A. Kahn as Nominee of The Muslim Parliament of Great Britain* whereby whilst decided an extension of time, at page 7 lines 15 to 20 he states:

“however in a normal case it is by showing what he has done and what he wants to do and why he has not done it that the registrar can be satisfied that granting an indulgence is in accordance with the overriding objective and that the delay is not being used so as to allow the system to be abused.”

It is my opinion, that if the original extension request had contained clearer and fuller reasons for the extension, then the delay in having the matter resolved at a hearing may have been avoided, however, taking into account all the submissions made, I considered that it would be “fair and reasonable” to allow the extension and avoid a multiplicity of proceedings. I also considered the registrar should have all evidence available before her when taking a substantive decision.

I considered in this case the opponent had now shown and given reasons as to why he wanted the extension, and had also shown why he had not been able to obtain the evidence within the relevant period. The delay caused was not in my opinion an abuse of the system but a genuine need for additional time.

I also took into account further comments made by Mr Hobbs in *Liquid Force* decision at page 439 lines 18 to 30:

“.....I consider that the natural reluctance of the registrar to refuse an extension of time for filing evidence which has belatedly come to hand cannot be elevated to the status of an invariable rule. In order to leave room for justice to be done I think it is necessary to recognise that a contested application for an extension of time to file evidence should not necessarily “follow the event” (ie succeed if the evidence is available at the hearing of the application and fail if it is not) and should not automatically succeed on the basis that refusal is liable to result in the commencement of another action between the same parties covering essentially the same subject of another action between the same parties covering essentially the same subject matters. I nevertheless agree that these are important factors to be taken into account when deciding whether an extension of time should be granted or refused.”

I also carefully considered if the applicants would have been prejudiced if the extension of time was granted. I took into account the applicants concerns that because of a delay in the proceedings they were being prejudiced in not being able obtaining rights in the mark but on balance I did not think that the applicant would have been prejudiced by allowing this extension. As the evidence was ready to be filed, no further delay would occur.

My decision therefore was to grant the opponents an extension of time until the day of the hearing i.e. 3 May 2001, to admit the statutory declaration of Brian Dewis and accompanying exhibits BD1 and BD2 , into the proceedings.

After giving the decision, Ms Mensah requested that the applicants should be entitled to an award of costs. I allowed both parties 14 days from the date of the hearing to file written submissions on costs with the registry.

Dated this 6TH day of July 2001

A J REES

Acting for the Registrar
The Comptroller General