

**TRADE MARKS ACT 1994**

**In the matter of an Interlocutory Hearing  
in relation to a request by Karlsberg Brauerei  
KG Weber (the applicants for revocation) for  
extensions of time within which to file evidence  
in support of Revocation N<sup>o</sup>s 11193 and 11194  
against Registration N<sup>o</sup>s 1367267 and 1367268  
respectively, in the name of Liberty Liquors Ltd**

## **TRADE MARKS ACT 1994**

### **In the matter of an Interlocutory Hearing in relation to a request by Karlsberg Brauerei KG Weber (the applicants for revocation) for extensions of time within which to file evidence in support of Revocation N°s 11193 and 11194 against Registration N°s 1367267 and 1367268 respectively, in the name of Liberty Liquors Ltd**

1. At an Interlocutory Hearing on 12 October 2000, I decided that extensions of time sought by the applicants for filing evidence in support of their applications for revocation were refused. I further decided that in light of the refusal of the extension of time requests, the applications for revocation were deemed withdrawn in accordance with Rule 31(5) of the Trade Marks Rules 2000.
2. The applicants for revocation have requested a statement of the reasons for my decisions.

#### **BACKGROUND**

3. On 29<sup>th</sup> October 1999 Karlsberg Brauerei KG Weber filed an application for revocation of Registration No: 1367267. The ground for revocation was that the trade mark had not been used by the proprietors or their predecessors in title in the United Kingdom or with their consent for an uninterrupted five year period immediately preceding the date of application, and that there were no proper reasons for non-use. On the same date and on the same grounds, Liberty Liquors Ltd also filed an application for revocation of Registration No: 1367268. Following a recent assignment action, both registrations stand in the name of Kartelle Nominees Pty Limited.
4. The registered proprietor filed counter-statements on 7 February 2000 together with evidence of use of the trade marks as required by Rule 31(3) of the Trade Marks Rules. The evidence of use consisted of statutory declarations and exhibits of Patrick Stephenson, Managing Director of the registered proprietors and Joanna Larkey, Trade Mark Attorney for the registered proprietors.
5. In accordance with Rule 31(4) of the Trade Mark Rules, copies of the Forms TM8 and counter-statements were sent to the applicants for revocation by way of official letters dated 10 February 2000. The applicants for revocation were allowed a period of three months in each action, i.e. 10 May 2000 for the filing of evidence in support of their revocations.

### 1<sup>st</sup> Extension of Time Requests

6. By way of Forms TM9 filed on 10 May 2000, the applicants requested an extension of time, in both proceedings, of three months to 10 August 2000. The reasons provided for the extension requests were:

“We are currently preparing evidence to be filed on behalf of the Applicant for revocation and we find there has been insufficient time within which to prepare this.

We confirm that the case is being managed actively. Copies of the proprietor’s evidence was forwarded promptly to our principals in Germany and we received their instruction to file evidence on behalf of the application for revocation. We and our principals expect this to be ready for filing within the period requested.”

7. Under cover of letters dated 12 May 2000, the Trade Marks Registry advised both parties of the preliminary view to grant the extension of time requests in full, i.e. to 10 August 2000. A period of fourteen days was allowed for either party to request a hearing to argue against the preliminary view.
8. The registered proprietors did not contest the preliminary view, however by way of a letter dated 7 June 2000 they asked for the file to be noted that they would vigorously contest any further extension of time. The letter stated that it was felt that as the instigators of the actions, the applicants for revocation had had ample time within which to substantiate their cases.

### 2<sup>nd</sup> Extension of Time Request

9. The applicants then sought second extension of time requests on Form TM9 filed on 10 August 2000. Again the applicants were seeking an extension of three months, to 10 November 2000 in which to file evidence in support of their applications.

10. The reasons provided were:

“It had been hoped that we would have filed evidence within the current extension of time. However owing to the fact that our client is away on vacation, it has not been possible for the evidence to be completed in time.

We expect that we should be in a position to file the evidence within the period requested.”

11. The Official letter dated 4 September 2000, advised the parties that the Registrar’s preliminary view was to refuse the extension of time requests as no progress appeared to have been made in the collation of evidence since the last requests for extensions of time. A period of fourteen days was allowed for either party to provide full written arguments against the view and to request a hearing.
12. Under cover of a letter dated 10 August 2000, but filed at the Registry by facsimile on 18 September 2000, the applicant’s representatives, Marks & Clerk, requested interlocutory hearings. They also put forward comments in relation to the preliminary view.

13. It was argued that the extensions sought on 10 August 2000 were justified in that:
  1. Marks & Clerk receive instructions from a German firm, who they understand are under pressure of work and as a result do not respond to letters as quickly as Marks and Clerk would like. They state that they had not been in direct contact with the applicants until the end of August
  2. the registered proprietor's evidence was reported to the German principal together with Marks & Clerk's detailed comments. They say that they received no instructions other than to extend the periods for filing evidence, they applied for the extensions of three months, which were allowed. Detailed advice was sent to the German principal on 11 May 2000 with a warning that further extensions would be refused. They further state that the German principals were made aware of time scales in proceedings before the Registrar on a number of occasions.
  3. Marks and Clerk wrote to their principals again on 25 May 2000, informing them of the granting of the extensions of time and urging them for a response to earlier letters. A further reminder was sent on 14 June 2000.
  4. On 3 August Marks & Clerk received a facsimile from the principals advising them of the address of the Export Director of Karlsberg and since that time there were a number of exchanges. A draft affidavit was sent to him on 13 September. They had also been put in touch with another witness who had agreed to swear a statutory declaration. This evidence was being prepared.
  5. Marks and Clerk believed that Karlsberg themselves were previously unaware (before the end of August) of the due dates or the need to prepare evidence within a certain time period. It was said that they were not conversant with the urgency of the matters and were giving it priority.
  6. In the circumstances it would not be just for the applicants to be denied the opportunity to file evidence
  7. If allowed the evidence would be filed within the time sought.
14. Following consideration of the letter from Marks & Clerk, the Registry issued a letter dated 27 September 2000, in which the parties were advised that the Registrar maintained her decisions to refuse the extensions of time. The files were passed forward for the interlocutory hearings.

#### THE HEARING

15. The hearing took place before me on 12 October 2000. The applicants for revocation were represented by Mr Victor Caddy. The registered proprietors were represented by Mr T Mitcheson of Counsel. During his submissions, Mr Caddy said that Marks & Clerk only became aware a few days before the hearing that the applicants were using Counsel and that the registrations had been assigned to another company. The person at Marks & Clerk worked part-time and as such Mr Caddy was attending on her

behalf.

16. Mr Caddy opened his submissions with the history of the proceedings stating how the applicants for revocation had approached the registered proprietors when the registrations the subject of these proceedings were first raised as citations against the applicants' international application. The applications for revocations were eventually filed in October 1999. A settlement was put forward by the applicants to which they received no reply.
17. Upon notification from the Trade Marks Registry of the filing of Forms TM8 and counter-statements and the period for the applicants to file evidence in support of their applications, Marks & Clerk reported to their German principals. It was also stated that the matter was discussed with the German principal at the I.N.T.A. conference. However, having received no response from the principal, the first extensions of time were sought. At the same time Marks & Clerk chased for the applicants' evidence. I was then informed that in early August 2000, Marks & Clerk advised the person responsible, based in France, of the impending deadline following which the second extensions of time were sought.
18. Contact details for the applicants were provided to Marks & Clerk on 13 August 2000 and direct contact was made after the August Bank Holiday, at the end of August 2000. An affidavit was drafted after 13 September 2000 and sent to the would be witness. Another witness was identified within the United Kingdom and a draft statutory declaration was sent to that person at the end of September.
19. Mr Caddy argued that since Marks & Clerk had direct access to the applicants for revocation there had been considerable progress in six weeks. He said that looking at this case there would appear to be three stages:
  1. no response from the registered proprietor regarding settlement
  2. problems collating evidence with German principals
  3. problems since overcome and progress made apace
20. He argued that overall there had been periods of silence and inactivity in respect of both parties to proceedings. He recognised that the Registry did not have the full picture during the requests for the extensions of time, but were now aware of the full details.
21. These proceedings were important to the applicants for revocation, but the delays were beyond the applicants' control because they were not aware of the need for filing evidence. Mr Caddy argued that once the difficulties with the principals had been overcome, the applicants had responded well regarding collation of evidence. He said that these were bona fide actions and were not vexatious. He also said that things had gone wrong with regards to communication but these had since been put right.
22. He advised me that he had one affidavit with him at the hearing which was in order to be filed with another to follow. The witness for the second declaration was in Japan and therefore not in a position to sign the declaration.

23. For the registered proprietors Mr Mitcheson opened submissions with reference to the Tribunal Practice Notice 1/2000 and the Registry's objective that proceedings take no longer than 18 months to complete. He observed that to the date of the hearing these proceedings had been ongoing for almost 12 months.
24. Mr Mitcheson commented that the applicants had had over six months in which to file evidence but had yet to do so. Making reference to the observations of Jacob J in *R v Registrar of Trade Marks ex parte SAW Company SA* he stated that six months was a generous period.
25. Again making reference to the aforementioned judgement of Jacob J, Mr Mitcheson argued that there is an onus on the party seeking the extension of time to put forward reasons such as to justify the extension sought. Mr Mitcheson argued that the *SAW* case was on a par with the instant proceedings as both involved a breakdown in communications.
26. He argued that it was important to look at what the applicants did during the period for filing evidence, and not look at what has gone on since. He stated that by the applicant's own acceptance nothing had been done within the period with regard to the filing of evidence.
27. He then referred to *AJ & MA Levy's Trade Mark* [1999] RPC 291 at page 292 lines 11 to 17 in which the appointed person stated that it is incumbent upon a party when seeking a second extension of time request to put forward strong and compelling reasons for the extension. If that is not done and matters are left on an unequivocal or uncertain basis then the applicant must live with the consequences. Commenting on this decision, Mr Mitcheson argued that the applicants appear to have taken no steps prior to the hearing to place any evidence on file and still no evidence had been filed. He argued that there was nothing more than submission on the part of the applicants to go on. There was no evidence of diligence in the relevant period leading up to the extension of time under consideration.
28. In relation to some of the applicants submissions, Mr Mitcheson referred me to a reported decision of the Registrar *Genius* [1999] RPC 741. From this decision Mr Mitcheson argued that the applicants for revocation did not abrogate all responsibility for their applications to their representatives, they still had a responsibility with regard to the progress of these proceedings. It was important to look at the conduct of the applicants during the relevant period and not their agents, as stated by Jacob J in *R v Registrar of Trade Marks ex parte SAW Company SA*.
29. Mr Mitcheson also made reference to the fact that there is no argument for the extension of time based on the fact that the applicants are based overseas and that overseas principals are being used (again *Genius* refers, page 248 lines 7 - 14). Also from Chapter 15 of the Trade Marks Registry Work Manual the reasons "applicant on holiday" is said to be an inadequate reason for an extension of time.
30. Mr Mitcheson argued that in comparison to the filing of the applicants' evidence in support, very stringent rules apply to the proprietor filing evidence in support of their registration in accordance with Rule 31(3), for which no extensions of time are

allowed.

31. With reference to *Liquid Force* [1999] RPC 429, Mr Mitcheson argued that there were no surprises in the proprietor's counter-statements and the applicants knew as far back as July 1999 the grounds for revocation and therefore they should have taken steps to collate evidence earlier in proceedings.
32. He stated that the official letter dated 12 May 2000 put the applicants on warning that no further extension would be granted without detailed and compelling reasons. This together with the proprietor's letter dated 7 June 2000 stating that they would vigorously object to any further extensions sought would have made things clear to the applicants that there was an onus on them to file evidence.
33. Mr Mitcheson stated that his clients were being prejudiced by commercial uncertainty due to these unduly lengthy revocation proceedings against their registrations.
34. He argued that there was nothing brought forward in the submissions that should change the preliminary view of the refusal of the extension of time. He stated that no excuses are valid and there was an absence of action on the part of the applicants and that the consequences should therefore be borne by the applicants.
35. In reply Mr Caddy reiterated that he had one affidavit with him at the hearing to file. He also argued that the cases and Chapter of the Work Manual referred to by Mr Mitcheson predated the change introduced by the Trade Mark Rules 2000. However, Mr Caddy acknowledged my observations that there were no changes of substance to the time limits for filing evidence in revocation proceedings following the implementation of the Trade Marks Rules 2000.

## DECISION

36. 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-

(a) prescribed by these Rules, other than the times or periods prescribed by the rules mentioned in paragraph (3) below, or

(b) 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, or on the initiative of the registrar, be extended by the registrar as she thinks fit and upon such terms as she 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, 25, 31, 32, 33 or 34, 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), rules 13(3) and 13(5) (time for filing counter-statement), rule 13(4) (cooling off period) save as provided for in that rule, rule 23(4) (time for filing opposition), rule 25(3) (time for filing opposition), rule 29 (delayed renewal), rule 30 (restoration of registration), rule 31(2) (time for filing counter-statement), rule 32(2) (time for filing counter-statement), rule 33(2) (time for filing counter-statement), and rule 47 (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.

(5) Where the request for extension is made after the time or period has expired, the registrar may, at her discretion, extend the period or time if she is satisfied with the explanation for the delay in requesting the extension and it appears to her to be just and equitable to do so.

(6) .....

(7) .....

37. I considered that the extension of time request filed on 10 August 2000 satisfied the provisions of Rule 68 outlined above, in that the extension was sought to extend the period set down in Rule 31(4) 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), made on Form TM9 as set out in Rule 68(2)(b), within the parameters of Rule 68(4) and the appropriate fee paid.
38. After hearing the submissions put forward by the parties my decision at the hearing was to refuse the extension of time requests for the filing of evidence in support of these revocation actions.
39. In reaching this decision I considered that these were proceedings the instigation and timing of which were completely in the hands of the applicants and as such, there was an onus on them to act diligently to collate and file evidence in support of the allegations they made with a view to bringing these proceedings to a speedy conclusion.
40. It was apparent from Mr Caddy's submissions that Marks & Clerk were experiencing difficulties in obtaining instructions, and as a result, in collating the applicants' evidence until the end of August 2000, when they had direct contact with the applicants. The extension of time the subject of the hearing before me was filed on 10 August 2000 and therefore the relevant period against which this request must be considered is the period up till then.



41. It was clear that direct contact was not made by Marks & Clerk with the applicants until the end of August 2000 at the earliest, over six months after the time for filing evidence had begun. A draft affidavit was then sent to the applicants in the middle of September. Mr Caddy pointed out in his submissions that since Marks & Clerk had direct contact with the applicants there had been considerable progress. But I must look at what action was taken during the relevant period not what happened subsequently, *R v Registrar of Trade Marks ex parte SAW Company SA* [1996] RPC 506 refers and from the applicants' submissions it was clear that during the relevant period no action had been taken by the applicants with regard to the collation of evidence, aside from Marks & Clerk trying to seek instructions from them.
42. As I considered that no action had been taken during the period, I turn to consider the reasons why no action had been taken. It was clear that the reason no action had taken place was due to the communication difficulties Marks & Clerk were experiencing with the overseas principals. As Mr Mitcheson pointed out, the applicants do not abrogate all responsibility to their representatives, *Genius* [1999] RPC 741. The applicants presumably on the basis of advice launched these proceedings and should therefore have been aware, or have been made aware by their representatives before they even brought the actions, of the need to file evidence to support their claims should the proceedings ultimately be joined. I also consider that Mr Mitcheson was correct, again with reference to the *Genius* decision, that very little, if any, weight should be attached to the arguments that a party was based overseas and as a result representatives within the United Kingdom were dealing with overseas representatives.
43. Mr Mitcheson also drew my attention to the appointed person's comments in *AJ & MA Levy's Trade Mark* [1999] RPC 291 at page 292 lines 11 to 17, in which it was said that strong and compelling reasons should be brought forward for an extension of time in such requests as before me, if not the party seeking the extension must live with the consequences. The reasons put forward as outlined above were the communication difficulties with the overseas principles and applicants. Since these difficulties had been resolved, matters had moved along. However, as detailed above I do not consider the fact that the representatives are dealing with overseas principals and overseas applicants to carry little weight. In these times where business on a world wide scale is a daily occurrence and the use of electronic communication (such as e-mail, facsimile transmissions etc) which allow companies in different parts of the world to communicate effectively and efficiently, the fact that attorneys are dealing with clients and/or instructing attorneys overseas can not be said to be strong or compelling reasons for allowing extension of time requests. The same can also be said of the reasons put on Forms TM9 filed on 10 August 2000 that the client was away on vacation. These again are not in my opinion strong and compelling reasons for allowing an extension of time, when a period of over six months for filing evidence had already passed. Whilst Mr Caddy informed me that he had one affidavit with him at the hearing to file, he also informed me that further evidence was still to brought forward. It was not clear what that evidence was nor whether the additional evidence would be filed by the extended time sought or not. Accordingly as I did not consider that strong and compelling reasons had been brought forward in support of this request and therefore in the circumstances I considered that I could not exercise the Registrar's discretion in the applicants' favour; they must live with the consequences of their own inaction with regard to the collation of evidence in the relevant period.

44. With regard to the affidavit Mr Caddy had brought to the hearing with him, I noted Mr Mitcheson's argument that the registered proprietors were suffering prejudice due to commercial uncertainty caused by the length of these revocation proceedings. In considering this matter I took account of the comments of the appointed person in *Liquid Force* [1999] RPC 429 at page 439:

“...even if the default does not appear to involve an abuse of process, it may yet be the case that the delay in producing such evidence is inordinate, inexcusable and so seriously prejudicial to the other party that no indulgence should be given to the party in default.....for these reasons 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”

45. In the proceedings before me, the period for the applicants to file evidence commenced on 10 February 2000, some six months prior to the hearing. I note the comments of Jacob J in *R v Registrar of Trade Marks ex parte SAW Company SA* [1996] RPC 506 that six months was a very generous period for the filing of evidence, which the appointed person in *AJ & MA Levy's Trade Mark* [1999] RPC 291 stated were equally applicable to the Trade Marks Act 1994. I would consider that the period to the date of the hearing could be said to be inordinate bearing in mind that these were revocation actions brought by the applicants themselves. Taking this fact together with the question of prejudice the proprietors were suffering, I decided that no indulgence should be given to the applicants to allow the evidence which had belatedly come to hand into these proceedings.

46. For all of the reasons outlined above, my decision was to refuse the extensions of time sought by the applicants. In consequence of my decision no evidence was filed by the applicants in support of their applications for revocation. In accordance with Rule 31(5) the revocation applications brought against registration nos: 1367267 and 1367268 were therefore deemed withdrawn.

47. Following a request for costs from the registered proprietors, my decision was also to make an award of costs of £870. This costs award took account of the perusal of the statements of case, the filing of counter-statements and evidence for each of the proceedings and a contribution towards the preparation for and attendance of the interlocutory hearing before me.

Dated this 13 day of February 2001

J S PARKER

Acting for the Registrar  
The Comptroller General