## TRADE MARKS ACT 1994

IN THE MATTER OF A REQUEST BY BELL IP HOLDINGS LLC, BELL ATLANTIC CORPORATION, BELL SOUTH CORPORATION & SBC COMMUNICATIONS INC (THE JOINT OPPONENTS) FOR AN EXTENSION OF TIME WITHIN WHICH TO FILE EVIDENCE IN OPPOSITION PROCEEDINGS (Opposition m 49428) AND OBJECTION RAISED THERETO BY EUROBELL (HOLDINGS) PLC (THE APPLICANTS)

#### TRADE MARKS ACT 1994

IN THE MATTER of a request by Bell IP Holdings LLC, Bell Atlantic Corporation, Bell South Corporation & SBC Communications Inc (the joint opponents) for an extension of time within which to file evidence in opposition proceedings (opposition **m** 49428) and objection raised thereto by Eurobell (Holdings) Plc (the applicants)

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At an interlocutory hearing on 21 September 2000 I gave a decision, confirmed by letter the same day in the following words:

"After hearing your submission I gave the following decision; that I would overturn the preliminary decision and refuse the requested extension of time. The case is now ready for a decision and the parties will be requested to indicate whether they wish to attend a hearing or are prepared to accept a decision from the papers"

The opponent has requested a statement of the reasons for my decision, as provided by rule 62(2) of the Trade Marks Rules 2000.

#### Background

Application number 2172818, for the mark "eurobell" and device (series of three), was applied
 for on 22 July 1998, in classes 9 and 38, and, following examination, was published in the Trade
 Marks Journal on 28 October 1998. On 28 January 1999 Bell IP Holdings LLC, Bell Atlantic
 Corporation, Bell South Corporation & SBC Communications Inc filed a Form TM7 and
 Statement of Grounds of Opposition as joint opponents to this application.

30 The applicant filed their defence, Form TM8 and Counterstatement, on the 23 April 1999. This was sent to the opponent under cover of a letter dated 26 April 1999 and the period for the opponent to file evidence in chief commenced, allowing three months from the date of the letter.

On 26 July 1999 the opponent filed their evidence in chief and the applicant was set until 26 October 1999 to file such evidence in support as they wished.

On 26 October 1999 the applicant requested an extension of time of one month, which was granted, for the finalisation of their evidence and this was filed on 25 and 26 November 1999. The opponent was then allowed three months from that date to file evidence in reply, as they saw fit.

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In a letter dated 7 December 1999 the opponent informed the registrar that they had not received a copy of the applicants evidence, however after confirmation that they had received a copy of this evidence the date for the opponent to file evidence in reply was reset to 9 March 2000.

45 On 6 March 2000 the opponent requested a further extension of time of two months giving the reason as:-

"The reason for requesting the extension is that there appears to be some confusion as regards what documents are referable to which statutory declarations and the exhibits thereto in the evidence supplied to us by the applicants. We have requested clarification of the applicants' agents in this regard (by letter of 18 January 2000, a copy of which is attached) and understand that the applicants' agents are looking in to this at the moment. However, until such time as we are able to determine what evidence we need to reply to, we are not able to undertake the necessary work to obtain it."

This extension was granted and subsequently, on 5 May 2000, the opponent requested a further extension of time of three months giving the reason as:-

10 "The reason for requesting the extension is that the parties are currently in negotiations on a "without prejudice" basis to settle this opposition. MarkForce Associates, the agents for the applicant, have requested proposal from our clients as to how this matter may be resolved. Ian Starr, the partner of this firm with overall conduct of the matter on behalf of our clients, is currently at the INTA meeting in Denver discussing settlement options with each of the opponents.
15 We should point out that there are and it is only at the annual INTA meeting that representatives of each of the opponents come together. Accordingly, we have been unable to produce definite proposals for the applicant's agents prior to this event. Obviously, once we have proposals in hand we will need some time to negotiate these with the applicant's agents. For the time being, it would appear prudent to leave the compilation of evidence-in-reply to one side while negotiations take place, in order that time and resources are not wasted."

The extension was granted subject to the applicants' right to object. The applicant objected on the basis that a period of two months had passed since the applicant enquired about the possibility of a settlement with no contact from the opponent, that it seemed unreasonable that this required a meeting between the opponents when it could have been settled quicker by correspondence and that the INTA conference had concluded several weeks previously with still no contact from the opponents. A date for an interlocutory hearing was set but several days prior to this the applicant withdrew their objection as they had then received a settlement proposal.

30 On 8 August 2000 the opponent requested a further extension of three months, giving the reason as:-

"The reason for requesting the extension is that the parties are currently in negotiations on a "without prejudice" basis to settle this opposition. We have received from MarkForce Associates, the agents for the applicant, settlement proposals. We have forwarded these to our clients for consideration and expect to have their response shortly. In order to facilitate the conclusion of the settlement negotiations, we should be grateful for a further extension of time of 3 months for filing our evidence-in-reply. We believe that in the circumstances it would be expedient to pursue such negotiations as opposed to filing evidence, being a more prudent application of time and resources. We anticipate that the applicant will consent to the extension but await confirmation."

The Registrars' preliminary view was that the request should be granted, on 24 August 2000 the opponent wrote to the Registrar objecting to the granting of the extension, stating that they had put their proposals to the opponent two months previously and had no response.

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An interlocutory hearing was therefore arranged and took place before me on 21 September 2000 with Mr Bilewycz, of MarkForce, representing the applicant, the opponent was not represented and provided no written submission to be taken into account.

#### Submission

Before me it was argued that the opponent had been granted sufficient time for the compilation of evidence, Mr Bilewycz referred to both the *SAW* case, [1996] RPC 507, and the *Levy's* case, [1999] RPC 291, which affirm that a period of six months is a long time for the filing of evidence. He also referred me to the *Liquid Force* case, [1999] RPC 429, in which it was stated that negotiations did not relieve a party of the necessity of filing evidence.

In referring to the negotiations he contended that the driving force had been the applicants. In his view it was the applicant's objection to the second request that had prompted the opponent's proposal and there had been no response from the opponent following the subsequent proposal from the applicant. Whilst recognising that the opponents' representatives must take instructions from American principals he argued that this was not a legitimate reason for delay and not a recognised reason for granting an extension.

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He also pointed out that in both the last two requests the opponent actually stated that they were not compiling evidence as they saw it as a waste of time and resources.

### Decision

The power vested in the Registrar to grant extensions to certain periods of time determined in the Trade Marks Rules is discretionary, the periods allowed for the filing of evidence are not excluded from this discretionary power. The breadth of the discretion afforded the Registrar by this Rule was dealt with by the Appointed Person in the *Liquid Force Trade Mark* appeal, at pages 437 & 438, and allows that where any relevant circumstances are brought to her attention the registrar can exercise this discretion.

In this case the period for the filing of evidence had been extended, twice, until 9 August 2000, the requests referred to ongoing negotiations. When this latest request was provisionally granted the opponent objected.

It was clearly laid down in the *SAW* case that six months is a long time for the filing of evidence, and whilst this was a decision under the previous Act and Rules the basic tenet of that decision was confirmed in the *Levy's* case. In these proceedings the applicant has had the initial period of three months, this was extended by two further periods totalling five months and they then requested a further three months. They have therefore already had a period of eight months within which to file any evidence in reply to the applicants evidence.

- Besides giving guidance on the registrar's discretion in determining an application for an extension of time the *Liquid Force* case also dealt with exactly this issue and is therefore clearly relevant to these proceedings. At page 440, commencing at line 24, Geoffrey Hobbs QC, sitting as the Appointed Person, stated:-
- ".. the opponent willingly pursued the possibility of settlement into 1998 without knowing whether
   the extension of time it needed would be granted. On the evidence before me I believe that it did so rationally on the basis that the Applicant, represented by Mr. Finn, apparently remained willing to consider ways and means of resolving the present and other opposition proceedings. That could not relieve the Opponent of its obligation to file evidence in support of its Opposition ..."

The opponent has openly stated in the last two requests filed that they are not preparing evidence as they see this as a waste of time and resources.

Taking all this into account, but principally the period which had elapsed during which the applicant could file evidence in reply and the apparent lack of diligence on the part of the applicant with regard to the preparation of such evidence, I overturned the preliminary decision and refused the requested extension of time.

# 10 Dated this 19<sup>th</sup>. day of March 2001

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Mr G J Attfield Hearing Officer 20 For the Registrar, the Comptroller-General