

**O-214-16**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. 3053668  
BY YUCAIPA CORPORATE INITIATIVES FUND I, L.P.**

**TO REGISTER THE TRADE MARK:**



**IN CLASSES 24 AND 25**

**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER NO. 403209 BY ALOHA SURFBOARDS PTY. LIMITED**

## Background

1. These opposition proceedings were launched on 10 November 2014 when Aloha Surfboards Pty. Limited (“the opponent”) filed a Form TM7 to oppose application number 3053668 on grounds based on sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). The form TM7 was admitted and served on Yucaipa Corporate Initiatives Fund I, L.P. (“the applicant”), who joined proceedings by filing a notice of defence and counterstatement on a Form TM8 on 12 January 2015. By way of a letter dated 16 January 2015, the Registrar served the Form TM8 on the opponent and allowed it a period until 16 March 2015 to file evidence in support of the opposition.

2. No evidence was filed in the initial period permitted; rather, the proceedings were stayed for the parties to explore a negotiated settlement. A Case Management Conference (“CMC”) in relation to the stay of proceedings took place before another Hearing Officer on 16 December 2016, at which the stay was continued. In the official letter dated 29 January 2016, the parties were advised that a final stay was granted until 23 February 2016 and that, if settlement had not been reached by that date, the opponent would be required to file its evidence on or before 23 March 2016.

3. The opponent did not file its evidence in the period allowed but, on 23 March 2016, it filed a Form TM9 in which it requested an extension of time to file its evidence. In support of its request, the opponent confirmed that it had been gathering evidence in the intervening period, a process which had been hampered because the voluminous evidence “has not previously been compiled in a systematic way”. According to the opponent, these difficulties were exacerbated by:

“the different layers of communication between the relevant persons with access to the required information within the Opponent company, who are then passing information to the Opponent’s Australian Attorneys, who are subsequently relaying the information to us, who have previously only been involved in the UK procedural aspects of the dispute”.

4. In the official letter of 5 April 2016, the tribunal advised the parties that, having considered the request, the Registrar’s preliminary view was to grant the request until 25 April 2016. The parties were also advised that, if either disagreed with that preliminary view, they should within fourteen days make a request to be heard (i.e. any such request should be made on or before 19 April 2016).

5. By way of an email dated 7 April 2016, the applicant indicated its disagreement and requested to be heard. On 25 April 2016, the opponent filed a second Form TM9 requesting a further extension of one month to its evidence period. The reasons given in support of this request were that:

“The date of the Case Management Conference falls after today’s deadline and it is uncertain whether the Opponent will be allowed to file its evidence at all. In the circumstances, the Opponent respectfully submits that it would be unreasonable to expect it to go to the trouble and expense of filing its evidence today”.

6. Matters came before me at a CMC, held by telephone conference, on 26 April 2016. The opponent was represented by Lorna Hobbs for Cleveland and the applicant by Richard Hing for Fieldfisher LLP.

### **The hearing**

7. As both parties attended the hearing and were professionally represented, there is, in my view, no need for me to record the competing submissions in any great detail.

8. At the hearing, Mr Hing having confirmed that he had had sight of the Form TM9 dated 25 April 2016, both parties gave submissions on both extension requests. The parties acknowledged that, because of the nature of the grounds pleaded and the requirement for evidence of use, if I refused either extension request, the opposition would be deemed withdrawn.

9. Ms Hobbs expanded briefly on the reasons provided in the Forms TM9. She submitted that the opponent was required to provide evidence of use and that, although a two-month period would normally be allowed, only one month after the expiry of the stay had been given. In addition, she stressed that there is a lengthy chain of instruction. Her understanding was that as late as March 2016 the parties were continuing to work towards a settlement, though as these discussions are being carried out by her instructing principals she was unable to give any details of the state of negotiations. Ms Hobbs was not able to provide any details about the opponent's evidence: she could not confirm how near it is to completion, nor when it might be filed. She submitted that I should set a further, final, deadline for the opponent to file its evidence.

10. For his part, Mr Hing expressed concern at the length of time these proceedings are now taking. He asserted that there has always been a fixed deadline for the filing of evidence running in the background of any stay requests and that the opponent should have been preparing its evidence in anticipation of having to meet that deadline. In his view, a chain of instruction is a commonplace occurrence and insufficient justification for an extension of time. As far as the negotiations are concerned, Mr Hing stated that a settlement had been in a fairly advanced form in December 2015/January 2016 but that he was not aware of any progress since then.

11. At the conclusion of the hearing, I reserved my decision. Having reflected on the parties' submissions in light of the relevant statutory provisions and case law, my decision is as follows.

### **Decision**

12. Rule 20 of the Trade Marks Rules 2008 (as amended) ("the Rules") sets out the procedure for evidence rounds in an opposition. It also details the instances in which the filing of evidence is mandatory and the consequences of a failure to file such evidence. The relevant parts are set out below:

"20.—(1) Where—

[...]

(b) the opposition or part of it is based on grounds other than those set out in section 5(1) or (2) and the applicant has filed a Form TM8;

[...]

the registrar shall specify the periods within which evidence and submissions may be filed by the parties.

(2) Where—

[...]

(b) the opposition or part of it is based on grounds other than those set out in section 5(1) or (2); or

(c) the truth of a matter set out in the statement of use is either denied or not admitted by the applicant,

the person opposing the registration (“the opposer”) shall file evidence supporting the opposition.

(3) Where the opposer files no evidence under paragraph (2), the opposer shall be deemed to have withdrawn the opposition to the registration to the extent that it is based on—

(a) the matters in paragraph (2)(a) or (b); or

(b) an earlier trade mark which has been registered and which is the subject of the statement of use referred to in paragraph (2)(c).

(4) The registrar may, at any time, give leave to either party to file evidence upon such terms as the registrar thinks fit.

[...]”.

13. There is no dispute that the period for filing evidence is a period which may be extended or that the opponent filed the requisite form and paid the appropriate fee. However, there is no automatic right to an extension of time for filing evidence. Rather, it is a matter of discretion which will be exercised in exceptional cases, taking into account all relevant factors. In considering the request for an extension of time, I bear in mind the comments made in *Siddiqui’s Application* BL O/481/00) where the Appointed Person stated:

“In a normal case this will require the applicant to show clearly what he has done, what he wants to do and why it is that he has not been able to do it. This does not mean that in an appropriate case where he fails to show that he has acted diligently but that special circumstances exist an

extension cannot be granted. However, in the 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.”

14. In reaching a conclusion, I bear in mind that the consequence of a refusal of the opponent’s request for additional time will, in this case, result in the opposition being deemed withdrawn under Rule 20(3), above. I am also mindful of the fact that a refusal may lead to another action between the same parties on essentially the same basis. Notwithstanding these factors which mitigate against a refusal, I am not prepared to allow the opponent further time to file its evidence: **the request for an extension of time is refused**. Whilst I am satisfied that the reasons in support of the original extension request were sufficient to justify the length of time granted, nothing has been provided to persuade me that the opponent has taken any steps to finalise its evidence in the intervening period. Whether the parties continue to negotiate is clearly a matter of uncertainty. In making my decision, I have kept in mind that an apparent lack of diligence by a party does not mean that an extension cannot be granted. I have also considered Ms Hobbs’s request that I impose a further, final deadline and I have some sympathy for her position. However, in the absence of any information about the current state of the opponent’s evidence, let alone an assurance that it is near completion and will be filed imminently, it would not, in my view, be appropriate to allow the opponent further time.

15. As per Rule 20(2)(b), the opponent’s opposition is based on grounds other than those set out in section 5(1) or 5(2), and as per Rule 20(2)(c) the truth of a matter set out in the statement of use is either denied or not admitted by the applicant. The opponent has not filed evidence. That being the case, in accordance with Rule 20(3), the opponent is deemed to have withdrawn its opposition.

16. The opposition having failed, the applicant is entitled to an award of costs in its favour. Awards of costs are dealt with in Tribunal Practice Notice (“TPN”) 4 of 2007. Bearing the guidance in that TPN in mind, I make the award on the following basis:

Considering the Notice of Opposition	£100
Preparing and filing a counterstatement	£200
Total:	£300

17. I order Aloha Surfboards Pty. Limited to pay Yucaipa Corporate Initiatives Fund I, L.P. the sum of **£300**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 27th day of April 2016**

**Heather Harrison**

**For the Registrar  
The Comptroller-General**