

O-315-05

TRADE MARKS ACT 1994

**IN THE MATTER OF AN INTERLOCUTORY HEARING HELD IN RELATION TO
OPPOSITION No: 93035 BY DANJAQ, LLC TO APPLICATION No. 2365874 IN THE
NAME OF IAN FLEMING PUBLICATIONS LIMITED**

TRADE MARKS ACT 1994

**IN THE MATTER OF an
interlocutory hearing held in
relation to opposition No: 93035
by Danjaq, LLC to application
No. 2365874 in the name of
Ian Fleming Publications Limited**

BACKGROUND

1. On 15 June 2004, Ian Fleming Publications Limited (hereafter IFPL) applied to register the trade mark **YOUNG BOND** for a range of goods and services in Classes 9, 16, 25, 28, 38 and 41.
2. The application was published for opposition purposes on 17 September 2004. On 15 December 2004, Danjaq, LLC (hereafter D) filed notice of opposition. The opposition was based on Sections 5(2)(b), 5(3) and 5(4)(a) of the Act. On 15 March 2005, IFPL filed a Form TM8 and counterstatement and the proceedings were joined.
3. As part of the opposition was based on section 5(2)(b) of the Act, and in accordance with rules 13B(1) and 13B(2) of the Trade Marks (Amendment) Rules 2004, on 7 April 2005 the Registrar issued a Preliminary Indication (PI). This PI indicated that the opposition was likely to fail on the ground based on Section 5(2)(b) of the Act, and allowed the Opponent until 7 May 2005 to file Form TM53 if it wished to proceed to the evidential stages.
4. On 6 May 2005, D filed Form TM53. In an official letter dated 11 May 2005, the Trade Marks Registry, under the provisions of rule 13(C)(1)(a) of the Amendment Rules mentioned above, allowed D a period of three months i.e. until 11 August 2005, to file their evidence-in-chief.
5. On 11 August 2005, D filed a request for an extension of time of three months. The request read:

“Our instructing principal in the USA has been involved in legal proceedings over the past four months and furthermore, the opponent has been occupied with preparations for the filming of the new “BOND” film.

Unfortunately, it has not yet been possible to finalise the evidence that is required to establish the reputation of Danjaq, LLC in relation to their “BOND” trade marks. Evidence gathering is ongoing at present, as is the near completion of the draft Witness Statement.

In addition, we understood from our instructing principal, that settlement negotiations were ongoing between the respective parties counsel in the United States and that a suspension of these proceedings would be in order (as for all other corresponding oppositions between the same parties). However the applicant’s UK attorneys have informed us today that they do not believe the subject proceedings to be a part of the

current negotiations. Further time is therefore required to establish whether or not this is in fact the case.

Your indulgence in granting this short extension of time would be greatly appreciated.”

6. On 24 August 2005, IFPL wrote to the Trade Marks Registry. In their letter they indicated that it was their understanding that there were no ongoing settlement negotiations relating to the application in suit, adding that they objected to any extension being granted to D to allow them to draft and file their evidence-in-chief. The reasons provided in the extension of time request were, in their view, “*entirely inadequate.*”

7. In an official letter dated 25 August 2005, the Trade Marks Registry issued a Preliminary View indicating that the extension of time was granted. They did so: “*...on the basis that the opponents are taking steps to gather and prepare evidence*”. A period expiring on 8 September 2005 was allowed for IFPL to request a hearing. In a letter dated 7 September 2005, IFPL provided further written arguments and requested a hearing.

8. A hearing took place before me by video conference on 25 October 2005. At the hearing, D was represented by Mr Julius Stobbs of Boulton Wade Tennant, and IFPL by Dr Steven James of R.G.C. Jenkins & Co, the respective parties’ professional representatives in this matter.

The Skeleton Arguments

9. The main points arising from the parties’ skeleton arguments were as follows:

The Opponent

- that the request for additional time should be considered in the light of the decisions in *Liquid Force* [1999] RPC 429 and *Siddiqui’s Application* (BL O/481/00);
- that the decision in *Siddiqui’s Application* requires the party seeking an extension of time to show: (i) what has been done, (ii) what it wants to do, and (iii) why it has not been able to do it;
- that point (i) above is satisfied by the inclusion in the request of the words: “*...evidence gathering is ongoing at present, as in the near completion of the draft witness statement*”;
- that point (ii) above is satisfied by the inclusion in the request of the words: “*...it has not yet been possible to finalise the evidence that is required to establish a reputation of Danjaq, LLC in relation to their “BOND” trade marks*”;
- that in relation to point (iii) above, at the time of the request it had not been possible to complete the evidence gathering process, nor the draft witness statement, because firstly, the evidence required to support the claim to reputation is extensive (spanning some 43 years), and secondly, because the opponent was not in a position to finalise the evidence in a format suitable for submission to the Registrar. In addition, D states that there are a large number of opposition and cancellation proceedings ongoing in the United Kingdom and abroad which require the submission of evidence of the trade marks JAMES BOND and 007. And, due to the massive amount of evidence relating to these trade marks

resulting from the success of the JAMES BOND series of films, it has been impossible to complete the evidence collection within the first time limit set;

- that there are negotiations ongoing between the parties and that there are a large number of Agreements already in existence between the parties spanning some 40 or more years, all of which relate to the JAMES BOND registered and unregistered trade marks. It was, they say, D's assumption that the application in suit was also part of the current negotiations, although they add that it has not affected D's efforts in-so-far as the collection and compilation of their evidence was concerned.

The Applicant

- that none of the reasons provided by D in their request for additional time meets the criteria in Siddiqui's Application;
- that reference would be made to the guidance provided in both the current version (pages 43 to 47) and the 1999 edition of the Trade Marks Registry's Law Section Work Manual, and in- so-far as the latter is concerned, the non-exhaustive list of reasons that were, at that time, considered unacceptable by the Trade Marks Registry;
- that IFPL will refer to the absence of any evidence that D has made any progress in its evidence gathering/drafting in the two months since the Form TM9 was filed in August 2005.

The decision at the hearing

10. At the hearing, I allowed D's request for an extension of time of three months expiring on 11 November 2005. In my letter to the parties, dated 26 October 2005, I said, inter alia:

“Having considered the parties' skeleton arguments and the submissions at the hearing, my decision was to confirm the Preliminary View mentioned above. However, I did so on the basis of the additional information you provided at the hearing (to which Dr James did not object), and given your assurance that the totality of the Opponent's evidence-in-chief would be filed by 11 November 2005.

Having heard submissions on costs and, as requested by Dr James, despite your success at the hearing, I made no order as to costs. Had the additional information provided by you at the hearing been incorporated into the original request for additional time, it is possible (I put it no higher than that), that the Applicant may not have objected to the request for additional time and this interlocutory hearing may have been avoided.”

11. On 18 November 2005, IFPL filed Form TM5 requesting a statement of reasons for my decision; I give this decision below.

DECISION

The Law

12. Insofar as it is relevant, rule 13C(1) "Opposition proceedings; evidence rounds (Form TM54)" reads:

"(1) The person opposing the registration, within three months of the initiation date -

(a) shall file any evidence he considers necessary to adduce in support of his grounds of opposition; and

(b) where -

(i) the opposition is based on an earlier trade mark;

(ii) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication; and

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

shall file evidence supporting the statement of use."

13. Rule 68 (as amended by The Trade Marks (Amendment) Rules 2004) is also relevant. The relevant parts read:

"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 time or periods prescribed by these Rules-

(a) is sought in respect of a time or periods prescribed by rules 13 to 13C, 18, 23, 25, 31, 31A, 32, 32A, 33, 33A 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), rule 13A(1) (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), rule 31(3) (time for filing counter-statement and evidence of use or reasons for non-use), rule 32(3) (time for filing counter-statement), rule 33(6) (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.”

14. As required by rule 68, the request for additional time was: (i) filed on Form TM9, (ii) accompanied by the appropriate fee, (iii) filed before the period in question had expired, (iv) copied to the Applicant and (v) in respect of a period capable of being extended.

15. In their skeleton arguments, both parties agreed that D’s request for additional time should be examined using, inter alia, the criteria established by Mr Simon Thorley QC acting as the Appointed Person in *Siddiqui’s Application* (BL O/481/00). In that decision, Mr Thorley said:

“Accordingly, it must be incumbent on the application for the extension to show that the facts do merit it. 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. ... 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.”

16. Applying the Siddiqui criteria to the facts of this case, reveals the following:

(i) what has D done between 11 May and 11 August 2005?

That whilst it has not been possible to finalise the evidence, evidence gathering is said to be ongoing and a draft witness statement is said to be nearing completion.

(ii) what does D want to do?

To complete the above and to investigate the position regarding settlement negotiations between the parties.

AND:

(iii) why has D not been able to do it?

Because: (i) the Instructing Principals (IP) in the United States have been involved in legal proceedings for the past four months, (ii) D has been involved with preparations for the filming of the new BOND film, and (iii) because both D’s IP and UK attorneys thought that these proceedings were being considered as part of ongoing settlement negotiations between the parties.

17. At the hearing, and having confirmed that the evidence was being prepared diligently during the relevant period, Mr Stobbs explained that the additional time was needed because of: (i) the size and nature of D (Mr Stobbs explaining that D “were not MGM” but were a

company established to exploit the rights in, inter alia, the JAMES BOND character), (ii) the extent of the evidence available (given use over forty years), (iii) that the marks had not been used by only one proprietor during that time, and (iv) that there were nineteen separate licensees to consider. He said that three witness statements were to be provided; one from D's Chief Executive Officer, one from an independent third party (over whom they had no control), and one in relation to the licensing programme. Mr Stobbs added that despite the misunderstanding in relation to whether or not these proceedings formed part of ongoing settlement negotiations between the parties, the preparation of the evidence continued regardless. Finally, Mr Stobbs indicated that he was in a position to file some evidence on the day of the hearing, and the remainder in draft form. He confirmed that all of the evidence would be provided by the expiry of the contested extension of time request.

18. Dr James argued that the reasons (as originally provided) essentially amounted to the IP and D being "busy". In so far as the possible settlement negotiations between the parties was concerned, in Dr James' view, D's IP and UK attorneys should have known the position. He drew my attention to the 1999 edition of the Trade Marks Registry's Law Section Work Manual (in relation to extensions of time) and in particular to an extract in which the Trade Marks Registry indicates the sort of reasons which may not be considered acceptable and which he submitted were still relevant. These reasons included, inter alia: "*We are in discussion with the other side to discuss a settlement*" and "*We are experiencing delays in collecting/collating evidence.*" Finally, Dr James argued that given the obvious importance of the BOND marks to D, evidence establishing their position ought to be readily available.

19. In my view a number of Dr James's points are well made. Whilst I am satisfied from both the wording of the original request, and with the benefit of Mr Stobbs' assurance at the hearing that evidence gathering was underway during the relevant period, the reasons why D could not complete its evidence in the prescribed period are far less convincing. For example, the fact that the IP has been involved in legal proceedings and that D has been occupied with preparations for the new BOND film are not, in my view, sufficient reasons to justify the granting of additional time. In-so-far as the IP and the UK attorneys were under the mistaken impression that these proceedings formed part of the ongoing settlement negotiations between the parties, this is not of itself sufficient to merit the granting of additional time. In this regard, I note the comments of Mr Geoffrey Hobbs QC acting as the Appointed Person in *Liquid Force* [1999] RPC 429 when he said:

"The period of three months allowed for the filing of an opposition under rule 13(1) and the further period of three months allowed for the filing of a counterstatement under rule 13(2) provide time for negotiations to take place. After that negotiations can take place on one or other of two bases. The parties can approach the Registrar and ask him to approve a standstill in the proceedings for a limited period while serious settlement discussions take place: *cf. Arbuthnot Latham Bank Ltd. v. Trafalgar Holdings Ltd* [1998] 1 W.L.R. 1426, CA at 137. Alternatively they can negotiate without prejudice to their obligations to press on with the proceedings in accordance with the time limits prescribed by or under the Rules."

As mentioned above, Mr Stobbs confirmed that although D may have been under the mistaken impression that these proceedings were part of the ongoing negotiations between the parties, D were clearly not relying on this fact, and at the hearing he confirmed that D's evidence preparation continued regardless.

20. While D may have been involved in evidence gathering and the preparation of a draft witness statement during the relevant period, there were, in my view, no justifiable reasons provided in the original request as to why the evidence could not have been produced in the prescribed period. However, that it not an end to the matter.

21. In his decision in *Style Holdings PLC's Application* [O/464/01] Mr Hobbs acting as the Appointed Person said:

“I take the view that if it was appropriate to allow the opponent to expand and clarify the written reasons for its request, it was no less appropriate to require it to reduce the intended expansion and clarification to a true and accurate statement in writing. I think it is regrettable that the Registrar did not insist that if the opponent intended to offer an amplified explanation with regard to the preparation of the evidence and the reasons for the delay in filing it, it should do so in writing in advance of the hearing so that the request for an extension of time could be fully and effectively considered against the background of a properly stated case.”

22. However, in his decision in *Ministry of Sound Recording Limited's Applications* [O/136/03] Mr Hobbs again acting as the Appointed Person said:

“As I have already indicated, the concerns I had in mind when giving my decision in *Style Holdings PLC's Application* were that applicants should not proceed to a hearing without having previously foreshadowed in writing the reasons for their request for an extension of time and that an application which is not actually based on reasons intimated in a Form TM9 filed before expiry of the relevant time limit is liable to be regarded as an application under rule 68(5) for an extension out of time. The remedy for those concerns is to insist upon the filing of a succinct but complete statement of case in support of an application for an extension of time and treat reliance on other substantive reasons as a notional request for amendment of the statement of case rather than impose artificial limitations on the scope of the exercise of discretion under rule 68 at any ensuing hearing.”

23. At the hearing, Dr James raised no objections to the additional information relied upon by Mr Stobbs to justify the granting of the additional time. In my view, this additional information i.e. the size and nature of D, the extent and length of use on which D wished to rely, that use had not been by only one proprietor, the number of licensees involved, and that D intended to file a witness statement from an independent third party (over which they had no control) were, when taken together, sufficient to justify the exercise of the Registrar's discretion in D's favour.

Costs

24. In-so-far as costs were concerned, and despite paragraph C(4) of his skeleton argument which reads: “*The opponent requests an award of costs in their favour for the vexatious manner of the applicant in objecting to the extension request*”, at the hearing, Mr Stobbs said that there was nothing unusual for me to take into account in this regard. For his part, Dr James argued that if I intended to endorse the Preliminary View, D should not be awarded costs in view of the paucity of the reasons provided. I agreed with Dr James. In my view the original reasons provided by D to support the request for additional time, were neither sufficiently detailed or compelling to justify the Preliminary View. It was only the additional

information provided by D at the hearing that satisfied me that to grant the request was justified and in keeping with the Overriding Objective. As a result, I made no order as to costs.

Conclusions

25. In summary:

- D's request dated 11 August 2005 for an additional three months to complete their evidence-in-chief (which expired on 11 November 2005) was granted;
- I made no order as to costs;

Finally, I note that evidence in the form of four witness statements and the associated exhibits were filed on 11 November 2005.

Dated this 1st Day of December 2005

**C J BOWEN
For the Registrar
The Comptroller-General**