

TRADE MARKS ACT 1994

IN THE MATTER OF A DECISION IN RELATION TO
A REQUEST BY COURTESY SHOES LIMITED
FOR AN EXTENSION OF TIME WITHIN WHICH TO FILE
EVIDENCE IN RECTIFICATION AND DECLARATION OF INVALIDITY
PROCEEDINGS (m's 10020, 10028, 10029 & 10030) BROUGHT BY
PAYLESS SHOESOURCE INC AND PAYLESS SHOESOURCE WORLDWIDE INC
IN RELATION TO REGISTRATION m's 1507437, 2102944, 1573747 & 2070869

TRADE MARKS ACT 1994

5 IN THE MATTER OF a decision in relation to
a request by Courtesy Shoes Limited
for an extension of time within which to file
evidence in rectification and declaration of invalidity
proceedings (m's 10020, 10028, 10029 & 10030) brought by
10 Payless Shoesource Inc and Payless Shoesource Worldwide Inc
in relation to registration m's 1507437, 2102944, 1573747 & 2070869

15 In a letter dated 27 July 1999 the Registrar granted the registered proprietor's request for an
extension of time in which to file evidence under Rule 13(6) of the Trade Marks Rules 1994
(as amended).

20 The applicant commented, in writing, on this decision and waived their right to a hearing on
this issue. Subsequently they filed a Form TM5 and requested a statement of the reasons for
this decision, as provided by Rule 56(2) of the Trade Marks Rules 1994 (as amended).

25 *Background*

By applications filed on 24 February 1998, m 10020, and on 27 February 1998, m's 10028,
10029 & 10030, Payless Shoesource Inc and Payless Shoesource Worldwide Inc commenced
30 rectification and declaration of invalidity actions against registration m's 1507437, 2102944,
1573747 & 2070869 in the name of Courtesy Shoes Limited.

The registered proprietor filed counterstatements on 28 April 1998 and the registry set a due
date of 5 August 1998 for the applicants to file their evidence under Rule 13(4). On 5 August
35 1998 the applicants filed requests for extensions of time, the reason being that a response to a
settlement proposal was awaited, and these were objected to by the registered proprietor with
a denial that any response was awaited.

Also the applicants requested consolidation of these cases and an amendment of the statement
of case in the proceedings numbered 10028 and 10030. All three issues, the request for an
40 extension of time, consolidation and amendment of the statement of case, were refused in a
registry letter dated 9 October 1998.

An interlocutory hearing was held at which the consolidation was refused, the amendment of
the statement of case was allowed and the requests for extensions of time were allowed with
45 the time period extended until 4 December 1998. On that date the applicants filed their
evidence. An issue of confidentiality arose from this evidence and only after a further

interlocutory hearing was the date for the registered proprietor to file evidence under Rule 13(6) set, this date being 22 July 1999.

5 On 20 July 1999 the registered proprietor filed extension of time requests for a period of three months, the reason given was:

The respondent, in order to prepare a full defence, has needed to review documentation that has since been archived, causing a delay in the review and subsequent drafting of the evidence.

10 In a letter dated 27 July 1999 the Registrar gave a preliminary decision to grant the requested extensions and allow the registered proprietor until 22 October 1999 to file their evidence. The applicants were given a period of fourteen days within which to provide full written arguments against this decision and to request a hearing, under Rule 48(1), if required.

15 The applicants wrote to the registry on 6 August 1999 with the following comment:

The reasons given for the extensions do not appear to be sufficiently detailed to justify their grant and we therefore ask that the Registrar reconsider his decision.

20 On 2 September 1999 the registry replied, noting the comments put forward by the applicants and confirming that the decision was to be maintained, additionally a further fourteen days was allowed within which the applicants could request a hearing, under Rule 48(1), on the decision.

25 This was followed, on 22 September 1999, by the applicants filing a form TM5 requesting the Registrar give a statement of grounds of the decision.

Decision

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These requests for extension of time within which to file evidence were dealt with under the terms of a practice direction which came into force on 1 January 1999, the relevant section is reproduced below.

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On receipt of a properly filed Form TM9 the registrar will make a preliminary decision on its grant or refusal and notify the parties accordingly, in writing. A period of fourteen days from the date of the notification will be allowed for either party to the proceedings to provide full written arguments against the decision and to request a hearing. If no such response is received
40 within the time allowed, the decision will automatically be confirmed.

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When filing a Form TM9 the requester must confirm that the form (and any attachment) has been copied to every other party to the proceedings in accordance with rule 62(2)(a) of the Trade Marks Rules 1994 (as amended) (see also Registrar's Direction in relation to Extensions of time). Full reasons in support of the request must be provided and, in the case of requests filed after the time or period has expired, full reasons also to explain the delay in making the request must be provided. It is likely that the reasons for the request will need to be filed on a separate sheet attached to the Form TM9. The extension will not be granted if the request has not been copied to the other party(ies) to the proceedings or in the absence of detailed reasons.
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In actioning these requests for extension of time the relevant officer in the registry had to consider the reason given by the registered proprietor and guidance on this issue is given in the Trade Marks Work Manual, Chapter 15 - Law Section, section 11.1. Within this section examples of a number of reasons which are not regarded as acceptable are given, these are reproduced below.

"We are in discussion with the other side to discuss a settlement".

If the request is supported by a letter from the other party confirming that negotiations are under way and there is a reasonable chance of a settlement the request may be allowed.

"The agent dealing with this case is unwell/on holiday"

"we are experiencing delays in collecting/collating evidence"

"awaiting instructions"

" we have staff shortages which are causing administrative delays"

" our client is located overseas and we have to deal through a local attorney"

These are only examples, but represent the most common unacceptable reasons put forward in support of a request for an extension of time, and each case has to be reviewed in its entirety to gauge whether the reasons put forward are acceptable and reasonable. Thus when considering these requests the officer would have taken into account the fact that these were the first requests for an extension of time during this particular evidence round, i.e. under Rule 13(6), as well as the reason forwarded. The reason put forward by the registered proprietor has been interpreted as stating that they were actively preparing evidence but that this was delayed by the need to consider documentation that had been archived. Without a detailed explanation of the archiving policy of the registered proprietor the officer has only personal experience on which to base an opinion on this aspect of the reason.

From my own personal experience I am aware that it is quite normal for files to be archived "off-site" for security reasons and also that space constraints may require that files are archived at as early a time as possible. I can accept that the registered proprietor will have their own set of pressures governing their archiving policy and it does not seem unreasonable that accessibility problems to archived documentation could cause a delay in the compilation of evidence. Thus I can also accept the preliminary decision given by the officer, which was to grant the request.

The applicants wrote to the registry, the substantive paragraph of this letter is reproduced on page 2 above, with the general comment that they did not regard the reason as sufficient to justify the grant of the extension of time. By referring to the relevant section of the practice direction, also reproduced on page 2 above, the onus was on the applicants, if they objected to the granting of the extension of time, to " - provide full written arguments against the decision and to request a hearing". In this instance I do not regard the contents of their letter as a full written argument against the decision, they have merely commented that, as far as they are concerned, the reasons given are not sufficient with no explanation as to how or why they have come to that opinion. Also, at no time have the applicants requested a hearing, in fact

they have refused to do so despite being given several opportunities, in letters from the registry on 27 July 1999, 2 September 1999 and 30 September 1999, this being the normal method of resolving issues of this nature.

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In all the circumstances I can find no fault with the preliminary decision arrived at by the Registrar's officer and no reason has been put forward which would lead me to overturn that decision. I feel that the reasons put forward for the extension of time request, although not exhaustive, should be regarded as sufficient to allow exercise of discretion under Rule 62(1) and thus granting the extension sought.

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Dated this 12th. day of October 1999

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**G J Attfield
For the Registrar
The Comptroller General**