

**IN THE HEARINGS AND MEDIATION GROUP OF
THE INTELLECTUAL PROPERTY OFFICE OF SINGAPORE
REPUBLIC OF SINGAPORE**

Trade Mark No. T1403091B
18 March 2015

**APPLICATION FOR ACCEPTANCE OF
LATE COUNTER-STATEMENT
IN A TRADE MARK APPLICATION
BY MGG SOFTWARE PTE LTD**

AND

**OBJECTION THERETO
BY APPTITUDE PTE LTD**

Principal Assistant Registrar See Tho Sok Yee
18 May 2015

Interlocutory hearing – Counter-Statement filed late – objection by Opponents – amended grounds of opposition – new deadline given to Applicants to file Counter-Statement – Applicants filed Counter-Statement late by 9 working days – whether late Counter-Statement allowed

The Opponents filed their Notice of Opposition on 10 October 2014 and the Applicants' deadline to file their Counter-Statement fell on 10 December 2014. The Opponents applied to amend their grounds of opposition to correct a typographical error and the Registrar allowed the application on 4 December 2014, directing the amended grounds of opposition to be filed by 11 December 2014 and varying the Applicants' deadline to file their Counter-Statement from 10 December 2014 to within two weeks after the filing of the amended grounds of opposition.

The Opponents filed their amended grounds of opposition on 5 December 2014. The Applicants' deadline to file their Counter-Statement therefore fell on 19 December 2014. The Applicants missed this deadline and the Opponents wrote to the Registrar on 26 December 2014, asking that Trade Mark Application No. T1403091B be deemed withdrawn because the Applicants had not filed their Counter-Statement before the deadline of 19 December 2014. Realising they had missed their deadline of 19 December 2014, the Applicants purported to file their Counter-Statement on 7 January 2015, 9 working days after the deadline. The Registrar issued a letter on 23 January 2015 to notify parties that Trade Mark No. T1403091B would be deemed withdrawn under Rule 31(3) of the Trade Marks Rules (Cap 332, 2008 Rev Ed) as neither the Counter-

Statement nor an extension therefor was filed before the deadline of 19 December 2014 expired.

The Applicants' reason given for their delay is rather involved. The Applicants' agents, Clifford Law LLP, had outsourced the filings and procedural matters relating to this opposition to a Mr Krishnamoorthy Karthikeyan ("Mr Karthi"), who is from Global Intellectuals and not part of the Applicants' agents. Mr Michael Loh ("Mr Loh"), a partner of the Applicants' agents, was aware that the Applicants' deadline to file their Counter-Statement fell on 19 December 2014 based on the Registrar's letter of 4 December 2014. However, to the contrary, Mr Karthi informed the Applicants' agents that based on his telephone conversation on or around 2 December 2014 with Ms Joanne Tay ("Ms Tay") of the Intellectual Property Office of Singapore, he had the impression that the deadline to file the Counter-Statement was 2 months. (In that telephone conversation, Ms Tay had alerted Mr Karthi that the Opponents' grounds of opposition were about to be amended and that the Applicants should wait for the amended grounds of opposition to be filed before filing their Counter-Statement so as to obviate the need to file an amended Counter-Statement.) Mr Karthi did not file the Applicants' Counter-Statement by the deadline of 19 December 2014 despite receiving the Counter-Statement to be filed from Mr Loh by email on 10 December 2014, and despite reminder emails from Mr Loh's secretary, Ms Catherine Chin, on 12 and 17 December 2014.

The Applicants cited Trade Marks Rules 83 and 77A in support of their application for the late Counter-Statement to be accepted.

Held, accepting the Applicants' late Counter-statement

1. The Registrar is empowered to hear this application under Rule 83 of the Trade Marks Rules. This is clear from the decision of the Registrar in *Asian Aisle Pte Ltd v Ricegrowers Co-operative Limited* [2002] SGIPOS 7, which clarified that "irregularities" in Rule 83 refers to failures to comply with the procedural requirements of the Trade Marks Act and the Trade Marks Rules. This includes matters in respect of time. Rule 83 is applicable in the present case as the Applicants' Counter-Statement was not filed within the deadline of 2 weeks after the amended grounds of opposition by the Opponents.
2. However, the mere fact that the Registrar has such discretion under Rule 83 does not justify its exercise in every case or where no good reasons are shown. The Registrar in *SOS International A/S v AEA International Holdings Pte Ltd and Anor* [2011] SGIPOS 10 makes clear that "*While the balancing exercise is to be carefully weighed and will turn on the particular facts of each case, the overall consideration of public interest of certainty and transparency and the need to promote the expeditious disposal of disputes would warrant the Registrar not allowing the overstepping of time limits in the legislation under most circumstances.*" At times, disputants cite authorities from the Singapore courts in support of their application for the Registrar to allow "*overstepping of time limits*". However, there is a basic distinction between court proceedings and proceedings before the Registrar of Trade Marks. In the

former, suits are subject to time bars beyond which rights generally cannot be asserted; and non-compliance with deadlines can potentially lead to judgment in default. Hence, court authorities may tend to disclose a more open approach towards allowing the "*overstepping of time limits*". On the other hand, in proceedings before the Registrar, it is generally open to disputants to re-file their application to register a trade mark or to institute fresh action against a trade mark. The consequences of adhering to the prescribed rules relating to time limits are usually not as severe in Registry proceedings as opposed to court proceedings. Hence, as a low-cost administrative tribunal with an interest in transparency and certainty, the Registrar tends to take a more circumspect stance on the issue and has a disposition towards the adherence to time limits. Exceptional circumstances would be needed to justify deviation from these time limits.

3. The onus lies on the party applying for the Registrar to exercise discretion in his favour, notwithstanding prescribed rules that result in an outcome against him. In the present case, the Applicants are applying for the Registrar to exercise his discretion not to deem their application withdrawn notwithstanding Rule 31(3). Hence, the onus in this interlocutory hearing lies on the Applicants.
4. Rule 83 provides that "*Any irregularity in procedure which, in the opinion of the Registrar, is not detrimental to the interests of any person or party may be corrected on such terms as the Registrar may direct.*" Hence, as part of the balancing exercise whether to exercise this discretion, the Registrar is to consider whether the correction of the present irregularity (in the acceptance of the Counter-Statement filed 9 working days late) is detrimental to the interests of any person or party, in particular the Opponents in this case.
5. The Opponents claim that accepting the late Counter-Statement would defeat their legitimate expectation that Trade Mark No. T1403091B would be deemed withdrawn in accordance with Trade Marks Rule 31(3), as also indicated by the Registrar's letter of 23 January 2015. On the other hand, the Opponents submit, the Applicants would not be prejudiced by the application of Trade Marks Rule 31(3) as they could file a fresh application for their mark. The Opponents have not filed any intervening application which could block the progress of a fresh application by the Applicants. The Applicants on the other hand earnestly contended at the hearing that it had always been their intention to file their Counter-Statement and that they were prepared to do so as early as around 2 December 2014. They did not do so by 19 December 2014 because of an alleged miscommunication between a Registry staff, Ms Tay, and the Applicants' agents' outsourced assistant, Mr Karthi.
6. Overall, on the balance, the Registrar is prepared to accept the Applicants' late Counter-Statement. The considerations that inform this decision are as follows:
 - (i) The present circumstances are exceptional in that the grounds of opposition were amended and hence, the deadline to file the Counter-Statement was varied. The varied deadline is not a deadline that can be readily discerned

from a basic application of the Trade Marks Rules or from the Registrar's Case Management Conference timelines which set out the milestones for the filing of evidence (none were issued yet in this case). The original 2-month deadline was varied because of an uncommon occurrence in opposition proceedings – the amendment of grounds of opposition *before* the Counter-Statement is filed.

- (ii) The Applicants' agents on record had noted the varied deadline and had sought, through Mr Karthi, to file the Counter-Statement by the deadline at all material times.
- (iii) The Counter-Statement was late by 9 working days after the first deadline, well within the final, 4-month statutory deadline were the first deadline extended.

7. Allowing the late Counter-Statement does not mean that the Registrar condones the poor conduct of the present case. It is clear from Mr Karthi's Statutory Declaration that he was also aware that the Registrar could send a notification to the Applicants regarding the new deadline to file the Counter-Statement. At paragraph 2.4 of his Statutory Declaration, he declares regarding his telephone conversation with Ms Tay:

I had come away with the impression that upon the filing of the Opponent's amendments, the Applicant would be allowed the usual 2 months period for filing its response by its Counter Statement, *or that a notification would then be sent to the Applicant*. I notified the Applicant's solicitors accordingly.

[emphasis added]

8. However, Mr Karthi chose to disregard the Registrar's notification by letter on 4 December 2014 – the very notification that he mentioned in his Statutory Declaration, extracted above – which clearly expressed that the Applicants' new deadline to file their Counter-Statement was 2 weeks after the filing of the amended grounds of opposition. This was despite Mr Loh's email on 10 December 2014 attaching the Counter-Statement to be filed, and despite reminder emails from Mr Loh's secretary, Ms Catherine Chin, on 12 and 17 December 2014.
9. The Applicants have also relied on Trade Marks Rule 77A to submit that the late filing of the Counter-Statement was caused by an employee in the Registry and thus, the Registrar could rectify the error by accepting the late Counter-Statement. This is now a moot point seeing as the Registrar is prepared to accept the Counter-Statement for the reasons set out above. Nonetheless, it is important to observe that the evidence in this case does not support a finding under Rule 77A that "*by reason of an act or omission of any person employed in the Registry, an act or step in relation to an application for the registration of a trade mark or any other proceedings before the Registrar, required to be done or taken within a period of time, has not been so done or taken*". How the matter eventuated in this interlocutory hearing has been described in the immediately preceding paragraphs. The deadline of 19 December 2014 was missed by the Applicants not because of "*an act or omission of*" Ms Tay but because

of Mr Karthi's independent decision not to file the Counter-Statement, despite it being ready, before the expiry of the varied deadline.

10. In conclusion, the Applicants' application for the Registrar to accept their late Counter-Statement is allowed. The Applicants' Counter-Statement is treated as filed and accepted on 7 January 2015. In addition, the Opponents are awarded costs of \$1200, \$400 being costs for preparation, \$650 being costs for review of the Applicants' four statutory declarations and \$150 being costs for attendance. Such costs are to be paid by the Applicants to the Opponents within 1 month from the date of this decision. I have awarded costs on the higher end of the scale in the Fourth Schedule of the Trade Marks Rules in recognition of the trouble the Opponents have been put through.
11. This interlocutory matter underscores a few practical, if obvious, pointers. With more care and oversight, this interlocutory detour could have been avoided and both parties spared the time and cost incurred. First, the Registrar's written communication should be relied on over any oral communication over the telephone. Second, the Registrar's communication later in time should generally be relied on over any communication earlier in time. Third, it is of practical importance that parties engage agents who can adequately handle the procedures involved in contentious *inter partes* proceedings before the Registrar and be circumspect about outsourcing aspects of the work to persons who may not be sufficiently acquainted with trade mark procedures and proceedings in Singapore.
12. This decision should not be treated as a precedent in support of cases that suffer from poor conduct in general. On the contrary, it should serve as a cautionary tale, as poor conduct is not generally an acceptable reason for the Registrar not to apply the law in the normal course of things. As elaborated at paragraph 2 above, exceptional circumstances would be needed to justify deviation from prescribed time limits. In the present case, the exceptional circumstance is as described at paragraph 6(i) above. It would not often be the case that such exceptional circumstances exist.

Legislation discussed:

Trade Marks Rules (Cap 332, 2008 Rev Ed), Rules 31, 83 and 77A

Cases referred to:

Asian Aisle Pte Ltd v Ricegrowers Co-operative Limited [2002] SGIPOS 7
SOS International A/S v AEA International Holdings Pte Ltd and Anor [2011] SGIPOS 10

Representation:

Mr Michael Loh (Clifford Law LLP) for the Applicants
Ms Vicki Heng (Vicki Heng Law Corporation) for the Opponents