

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

Trade Mark No. T1302799C
10 October 2016

**APPLICATION FOR EXTENSION OF TIME TO FILE EVIDENCE
BY SGP INTERNATIONAL ENTERPRISE**

AND

**OBJECTION THERETO
BY A.T.X. INTERNATIONAL, INC.**

Principal Assistant Registrar See Tho Sok Yee
Decision Date: 8 December 2016

Interlocutory hearing – Applicants’ application for extension of time to file evidence in an opposition under the Trade Marks Rules – whether valid notice given to Opponents under Trade Marks Rule 33(7) – whether good and sufficient reason for extension of time – whether Registrar should exercise discretion in favour of Applicants despite Opponents’ refusal to consent

Background

SGP International Enterprise (“the Applicants”) applied on 20 February 2013 to register a trade mark under Trade Mark No. T1302799C (“the Application”). A.T.X. International, Inc. (“the Opponents”) opposed the Application on 26 August 2013. The Applicants filed their Counter-Statement on 23 December 2013. The Registrar, at a Case Management Conference (“CMC”) on 9 July 2014, issued CMC timelines for the parties to file their evidence respectively. CMC timelines and statutory deadlines run concurrently: HMG Circular 4/2010 dated 20 August 2010 (“the Circular”). The Opponents filed their evidence on 9 December 2015. Based on the CMC timelines, the maximum timeline (6 months from 9 December 2015) for the Applicant to file their evidence was 9 June 2016. In the Registrar’s letter of 10 December 2015, the Registrar confirmed that the Applicants were to file their evidence within the statutory deadline of 3 months from 9 December 2015, that is, by 9 March 2016.

On 9 March 2016, the Applicants applied for and obtained a 2-month extension of time to file their Statutory Declaration by the new, extended deadline of 9 May 2016. On 9 May 2016, the Applicants applied for a second extension of time to file their Statutory Declaration citing “More time is required to prepare the Statutory Demand” (*sic*) as the reason. The request for the Opponents’ consent was purportedly sought through an email

dated 9 May 2016 by a trainee, Li Yan, on behalf of Mr Han Wah Teng of CTLC Law Corporation “on behalf of the agent for the Applicant” instead of by the agent for the Applicants on record (Ubiquity Consultants Pte. Ltd.) directly. In this email to the Opponents’ agents, the Applicants did not indicate the duration of the extension of time requested nor the reason for the extension. On 13 May 2016, the Opponents’ agents responded to CTLC Law Corporation by reply-email that the Opponents did not consent to the request for an extension of time. On 24 May 2016, the Opponents informed the Registrar in writing that the email dated 9 May 2016 (requesting their consent to an extension of time), among other things, did not comply with Rule 33(7) of the Trade Marks Rules (Cap 332, 2008 Rev Ed) (hereafter, all references to “Rule” and “Rules” are references to the Trade Marks Rules) and that they objected to the Applicants’ request. The Opponents accordingly requested that the Registrar refuse to grant an extension of time to the Applicant.

In light of the above, on 30 May 2016, the Registrar gave preliminary indications that (i) the Applicants have not given valid notice to the Opponents under Rule 33(7); and (ii) that the Registrar was not inclined to grant the extension of time pursuant to Rule 33(9)(a). The Applicants, in their letter dated 13 June 2016, requested for the matter to be heard at an interlocutory hearing. On 15 June 2016, in an attempt to resolve the matter without the need for an interlocutory hearing, the Registrar directed the Applicants to address the concerns raised in the Registrar’s letter of 30 May 2016. The Applicants responded in writing on 29 June 2016 with their representations on the issue, providing a new reason that the Applicants’ efforts to file their Statutory Declaration was hampered by their representative’s frequent need to travel. The Registrar considered these representations and, on 4 July 2016, maintained the preliminary indications of 30 May 2016 that there was no valid notice given to the Opponents and that no good and sufficient reasons were given in support of an extension of time. Both parties elected to be heard in this interlocutory matter by way of written submissions only.

On 2 August 2016, the Registrar set the deadlines for the respective written submissions to be filed. The Applicants filed their written submissions (“App-WS”) on 23 August 2016 and their bundle of authorities on 29 September 2016. The Opponents eventually did not file written submissions nor make new factual claims and chose instead to rely on the representations in their earlier correspondence dated 24 May 2016.

Issues

The interlocutory issues before the Registrar are:

- (i) Whether the Applicants gave a valid notice to the Opponents on 9 May 2016 in accordance with Rule 33(7)
- (ii) Whether the Applicants provided a good and sufficient reason for the extension of time
- (iii) How, in view of the Opponents’ refusal of consent, the Registrar should exercise discretion in this case.

The outcome is particularly impactful because the very pendency of the Application hinges on the Registrar's decision whether to grant the Applicants an extension of time to file evidence. If no extension of time is allowed, Rule 33(3) applies to treat the Applicants as having withdrawn their Application. The opposition effectively ends as such, because the subject matter of the opposition no longer exists. This is why the Applicants have sought an interlocutory hearing to be heard, albeit through written submissions, on why the Registrar's preliminary indications should not apply; and why the extension of time should be granted.

Applicants' Submissions

On issue (i), the Applicants claimed that the notice served on the Opponents on 9 May 2016 stated that the Applicants needed more time to file their statutory declaration and therefore sought the Opponents' consent for an extension of time. The Applicants conceded that the particular notice did not give a reason why the extension was needed, but submitted that the parties had been corresponding through email before the application for an extension of time and that the Opponents had been informed of the Applicants' unavailability. Accordingly, the Applicants submitted that even if the notice to the Opponents was deficient, the Opponents did have valid notice at the material time: [5]-[7] of App-WS.

On issue (ii), the Applicants submitted that the parties were in negotiations and the Applicants' representative also needed to travel frequently. Further, the Applicants claimed to be in the process of filing their annual returns and not to have the benefit of their financial report. For all these reasons, more time was required to prepare the Applicants' evidence. The Applicants then referred to the Circular, and submitted that they have satisfied at least reason (iv) "*significant progress has been made but parties still require a specific period of additional time to complete the negotiations*" and (vi) "*a circumstances has arisen that is beyond one party's control, provided that the party has acted promptly and diligently at all times; for example, corporate changes such as merger and bankruptcy; the party's decision-maker has taken ill or left and the party needs more time to make certain decisions; civil war; declaration of state of emergency*": [14]-[15] of App-WS.

On issue (iii), the Applicants submitted that Rule 83 applies in the current case. The Applicants submitted that the Registrar ought to adopt the principles applied by the Court of Appeal in *The "Tokai Maru"* [1998] 2 SLR(R) 646 ("*Tokai Maru*") when considering whether to exercise the discretion under Rule 83. The principles expounded by *Tokai Maru* include:

- (i) The rules of civil procedure guide the courts and litigants towards the just resolution of the case and should of course be adhered to. Nonetheless, a litigant should not be deprived of his opportunity to dispute the plaintiff's claims and have a determination of the issues on the merits as a punishment for a breach of these rules unless the other party has been made to suffer prejudice which cannot be compensated for by an appropriate order as to cost.

- (ii) Save in special cases or exceptional circumstances, it can rarely be appropriate then, on an overall assessment of what justice requires, to deny a defendant an extension of time where the denial would have the effect of depriving him of his defence because of the procedural default which, even if unjustified, has caused the plaintiff no prejudice for which he cannot be compensated by an award of costs.

Applying the principles in *Tokai Maru*, the Applicants submitted that in the current case, although the notice for the request for an extension of time served on the Opponents may be deficient in content, there was no delay in the application for the request for an extension of time and the service of the notice on the Opponents pursuant to Rule 33(7). The Applicants therefore submitted that the Opponents would not suffer any prejudice should the Applicants' request for an extension of time be granted for the Applicants to file their evidence. The Applicants submitted that they should not be deprived of the opportunity to dispute the Opponents' claims and have a determination of the issues on the merits as a punishment for a procedural breach. In the unlikely event that the Opponents have suffered some prejudice, they would be more than adequately compensated by means of an award of costs. On the other hand, the Applicants claimed that they would suffer real prejudice if the request for an extension of time is disallowed as the trade mark application is likely to be deemed withdrawn.

Opponents' Submissions

The Opponents referred to Rule 33 and submitted that the request for an extension of time should not be allowed as the Applicants have clearly not complied with Rule 33(7). The Opponents submitted that it is clear from the Applicants' request for an extension of time that the Applicants did not indicate the extension requested for and the reason for the extension. Moreover, the Opponents submitted that they have refused consent to the Applicants' request for an extension of time.

Held, partially allowing the Applicants' request for an extension of time to file evidence.

Issue (i)

1. The first issue is whether the Applicants gave a valid notice to the Opponents. Rule 33(7) requires an applicant, before making any request for an extension of time, to serve a notice on the opponent. The rule clearly prescribes that such notice shall contain (a) a statement of the applicant's intention to request for the extension, the extension requested for, and the reason for the extension; and (b) a request for the consent of the opponent. The notice requirement (both in content, and in the service of the notice on the opponent) in Rule 33(7) must be met, given the use of the word "shall" in this rule. If a purported "notice" does not contain the mandatorily prescribed content, it is not a "notice" for the purposes of Rule 33(7). Hence, Rule 33(9)(b) applies in that "*a notice referred to in paragraph (7)*" has not been served

on the opponent; and on this basis, the Registrar may refuse the request for extension of time.

2. On the facts of the case, contrary to the Applicants' written submissions, their email "notice" on 9 May 2016 did not state "*that the Applicant needed more time to file its statutory declaration and therefore seeking (sic) the consent of the Opponent for an extension of time*". The email is set out below:

From: Liyan [<mailto:lyt@ctlclaw.com.sg>]
Sent: Monday, 9 May 2016 2:55 PM
To: Keefe-Martin Han Wang Zhou
Cc: Vignesh Vaerhn; HAN; HAN
Subject: WITHOUT PREJUDICE SAVE AS TO COSTS; SUBJECT TO CONTRACT: TRADE MARK APPLICATION NO. T1302799C

Dear Sirs,

On behalf of the agent on record for the Applicant, we are writing to seek your consent for an extension of time for the Applicants to file their statutory declaration.

We look forward to your reply. Thank you.

Best regards,
Li Yan on behalf of Mr Han Wah Teng
Trainee

3. Based on the above, it is clear that, out of the four requirements pertaining to the content of the "notice", the Applicants have only met one, namely the requirement of a request for the Opponents' consent. The three other mandatory requirements of the content of the "notice", referred to in Rule 33(7)(a) at [1] above, have not been met. Therefore, the email request replicated above cannot be construed as "*a notice referred to in paragraph (7)*". Since "*a notice referred to in paragraph (7)*" has not been served on the Opponents in this case, Rule 33(9)(b) comes into play such that, potentially, the Registrar may refuse the Applicants' request for extension of time.
4. There is another peculiarity on the facts. The Applicants' agent on record is Ubiquity Consultants Pte. Ltd. The purported "notice" on 9 May 2016 was emailed by a trainee on behalf of Mr Han Wah Teng of CTLC Law Corporation "*on behalf of the agent for the Applicant*" instead of by the agent for the Applicants on record (Ubiquity Consultants Pte. Ltd.) directly. The Opponents, in their letter of 24 May 2016, reserved their rights as to whether the purported "notice" even constitutes a request from the Applicants insofar as it was made only on behalf of the agent on record (and not on behalf of the Applicants). However, as the Opponents have not made further submissions on this point to put it in issue, no decision needs to be made on the point. The outcome of this interlocutory matter also does not turn on it.

5. Having concluded that the Applicants have not given a valid notice to the Opponents on 9 May 2016 in accordance with Rule 33(7), I move on to consider the remaining issues, before drawing the overall conclusion to this interlocutory matter.

Issue (ii)

6. The second issue is whether the Applicants provided a good and sufficient reason for the extension of time. It is important to determine this issue because Rule 33(9)(a) provides that “*The Registrar may refuse to grant the extension... if the applicant fails to show a good and sufficient reason for the extension*”.
7. On the facts, on 9 May 2016, the Applicants applied for a second extension of time in Form HC3 to file their evidence, citing “*More time is required to prepare the Statutory Demand*” as the reason. The question is: Is this a good and sufficient reason for the extension of time? The file records do not disclose circumstances in which a statutory demand was required of the Applicants. In all likelihood, this was a careless mistake on the part of the Applicants’ agents (or the Applicants’ agents’ agents) and the reason given in Form HC3 should have read “*More time is required to prepare the Statutory Declaration*” instead. Even if this conjecture is correct, needing more time to prepare the statutory declaration is still a non-reason, as a party would only file Form HC3 to request an extension of time if he needed more time to file his evidence. A good and sufficient reason explains why the evidence could not be filed by the deadline and should persuade the Registrar that it is reasonable to grant the extension of time.
8. Thus, on the face of the record, Form HC3 does not state a good and sufficient reason for granting the Applicants an extension of time. The Applicants’ written submissions also skirts this issue by, in their explanation of the need for an extension of time, avoiding reference to both Form HC3 and the purported “notice” to the Opponents: [14]-[15] of App-WS. As summarized under “Applicants’ Submissions” above, the Applicants claimed that the parties were in negotiations, that the Applicants’ representative needed to travel frequently, and that they did not have their financial report yet. Not only are these not set out in Form HC3, they are also not supported by any evidence from the Applicants. Ironically, it is the Opponents’ Form HC3 filed on 5 October 2015 which may be more helpful in this regard. It sets out the reason for seeking an extension of time to file evidence as follows: “*Parties are negotiating a global multi-party settlement agreement to resolve all current and prospective oppositions that may arise between parties in Singapore. The global multi-party settlement agreement will ultimately save time and costs for all parties involved...*”

Issue (iii)

9. In view of the lack of a valid notice, the lack of a good and sufficient reason (both in Form HC3 and in the purported “notice” to the Opponents) and the Opponents’

objection to an extension of time for the Applicants, I now consider whether or not to exercise the power I have under Rule 33(9) to refuse to grant the extension.

10. In the ordinary course of proceedings, if both scenarios in Rule 33(9)(a) and (b) materialised, the Registrar would generally be inclined to exercise the discretion under Rule 33(9) to refuse the extension of time.
11. Nonetheless, the Applicants would have me apply Rule 83 in their favour. 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.*”
12. Regarding the application of Rule 83, the Registrar’s decision in ***MGG Software Pte Ltd v Appetitude Pte Ltd*** [2015] SGIPOS 8 (“***MGG Software***”) is instructive. [2]-[3] of the decision is set out below:

2. ... 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.
13. In the present case, we are not dealing with the "*overstepping of time limits*" as the Applicants have not sought, out-of-time, to rectify their deficient "notice" to the Opponents nor their Form HC3 (with a good and sufficient reason, instead of a non-reason). However, we do face an "*irregularity in procedure*" under Rule 83 (in particular, in the procedure relating to applications for extensions of time) and the principles above similarly apply. In these interlocutory proceedings, the Applicants ask that the Registrar exercises discretion to grant the extension of time such that their application is not deemed withdrawn due to their failure to file evidence by their deadline of 9 May 2016 (which would be the case if no extension of time were granted).
14. I note that the Applicants sought a 2-month extension in their Form HC3. The first month of an extension (i.e. 10 May 2016 to 9 June 2016), if granted, falls within the Applicants' 6-month CMC timeline of 9 June 2016. The second month of the 2-month extension (i.e. 10 June 2016 to 9 July 2016), however, would fall outside the CMC timeline. By way of background, the CMC timelines in this case were issued as the parties intended to negotiate. The CMC timelines represent the maximum amount of time at each evidential stage that the Registrar was prepared to give the parties, in order for them to negotiate. Concurrently, the Circular makes clear, parties are still required to make the necessary applications for extensions of time: "CMC timelines ... do not negate the need for parties to apply for extensions of time in accordance with the Trade Marks Rules, including, where applicable, filing [the applicable form] and fee" (words in square brackets mine).
15. Bearing in mind that the Applicants did file Form HC3 within the deadline of 9 May 2016 (as opposed to not filing Form HC3 at all or filing this form late), I consider whether the irregularities noted above are "*detrimental to the interests of any person or party*" under Rule 83. In the absence of indications to the contrary, the state of play between parties appears to be that the parties have been in negotiations. This is reflected in the file records ending with the explicit statement of negotiation in the Opponents' Form HC3 filed on 5 October 2015: [8] above. This is also consistent with the claim in [14] of the more recent App-WS that "*the parties are in the midst of negotiating a settlement agreement*", notwithstanding the lack of evidence in support of this assertion. In other words, the circumstances at the time the CMC timelines were issued do not seem to have changed – the parties are looking to settle their dispute, if possible, and time has been given for parties to achieve that (as reflected in the "slow track" CMC timelines). The Applicants' latest request for extension of time partially falls within those same CMC timelines.

Accordingly, there does not appear to be a detriment to the Opponents that cannot be compensated with costs if I were to partially grant the Applicants' request for an extension of time insofar as it is within their CMC timeline and thus within both parties' expectations at the outset. I accordingly grant the Applicants' request for an extension of time within their CMC timeline i.e. for a 1-month extension. At the same time, I emphasize that this decision does not in any way suggest that a late or deficient extension of time would always be granted so long as the eventual extension is within the relevant CMC timeline.

16. On the other hand, with regard to the requested extension beyond the 6-month CMC timeline, the Applicants have not complied with the Circular. They rely on the reason (listed in the Circular), among others, that "*significant progress has been made but parties still require a specific period of additional time to complete the negotiations*". However, for a party to rely on this reason, the Circular makes clear that the party must provide "*information on the specific additional period of time needed*" and "*must also obtain the consent of the other party*". This was not done in the present case.
17. The reason why it is comparatively more difficult to obtain extensions of time beyond CMC timelines (as opposed to the same within CMC timelines) is that early on in the proceedings, after close of pleadings, the Registrar would have heard from the parties the circumstances of the case and ascertained the appropriate timelines given the state of play between parties. Both parties have the expectation that evidence will be filed, at the latest, within the CMC timeline at each evidential stage. Extensions beyond the CMC timelines run contrary to the parties' expectations at the time the CMC timelines were issued. Therefore, requests for such extensions need to be justified by good and sufficient reasons such as those relating to negotiations at 3(i), (ii) of the Circular. If these circumstances are present, the other party's consent should be forthcoming too.
18. In the present case, I have considered the App-WS but do not adjudge the submissions sufficient to displace the normal application of the Circular. Thus, the Applicants' request for an extension of time beyond the CMC timelines is not allowed.
19. Having allowed only 1 out of the 2-month extension sought by the Applicants, the next question is how to apply this to the facts of the case, where the Applicants' last deadline has already expired on 9 May 2016, and where the 1-month extension of time, if calculated from 9 May 2016, would also have expired on 9 June 2016. It is fair and reasonable for both parties to await the outcome of this interlocutory matter before expending further time and costs in working on the main opposition proceedings. This is because, if the outcome is that no extension of time is granted, the application will be treated as withdrawn under Rule 33(3) and no further filing is expected of both parties. As such, the Applicants' final 1-month extension (within CMC timelines) to file their evidence will run from the date of this decision.

20. I also take the opportunity to make a passing comment on the Applicants' heavy reliance on the Court of Appeal decision in *Tokai Maru*. As cited from [2] in the decision in *MGG Software* at [12] above, there is a basic distinction between court proceedings and proceedings before the Registrar of Trade Marks. If the extension were not granted and the Applicants' application to register the mark deemed withdrawn, it is still open to the Applicants to file a fresh application. In light of the different contexts, parties should not expect the Registrar, being part of a low-cost administrative tribunal with an interest in transparency and certainty, to, as a matter of course, adopt more liberal court authorities when dealing with breaches of procedure.
21. I would also highlight the cautionary note from *MGG Software* at [12]:
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... It would not often be the case that such exceptional circumstances exist.
22. One should likewise not treat the present decision as "*a precedent in support of cases that suffer from poor conduct in general*". This decision does not condone the poor conduct of the proceedings as reflected, for instance, in the deficient notice to the Opponents and the lack of a good and sufficient reason in support of the extension, where even the reason indicated in Form HC3 evinced an obvious error ("More time is required to prepare the Statutory Demand"). In most circumstances, the rules of procedure in the Rules apply. For example, in *BRG Brilliant Rubber Goods (M) Sdn Bhd v The Polo / Lauren Company, L.P.* [2014] SGIPOS 4, it was found that "*Indeed, the reason for the Applicants' failure to comply with the applicable procedural requirements is simply that they were not aware of, or familiar with, these procedural requirements. This clearly does not constitute "exceptional circumstances" or "good reasons" to justify the Registrar's exercise of discretion in favour of the Applicants.*"
23. The issue of costs was not raised. However, it remains open to the Opponents to seek costs further to this decision, having regard to Rule 72.

Legislation discussed:

Trade Marks Rules (Cap 332, 2008 Rev Ed): Rules 33, 72, 83

Cases referred to:

The "Tokai Maru" [1998] 2 SLR(R) 646

MGG Software Pte Ltd v Apptitude Pte Ltd [2015] SGIPOS 8

SOS International A/S v AEA International Holdings Pte Ltd and Anor [2011]

SGIPOS 10

BRG Brilliant Rubber Goods (M) Sdn Bhd v The Polo / Lauren Company, L.P. [2014]

SGIPOS 4

Representation (Written):

Mr Han Wah Teng (Ubiquity Consultants Pte. Ltd.) for the Applicants

Mr Vignesh Vaerhn (Allen & Gledhill LLP) for the Opponents