

TRADE MARKS ACT, 1996

Decision in Hearing

IN THE MATTER OF a request to amend a Notice of Opposition against an application for registration of a Trade Mark.

GENERAL MOTORS ACCEPTANCE CORPORATION Applicant

SMART GMBH Opponent

The application

1. On 22 August, 2000, General Motors Acceptance Corporation, a corporation organised and existing under the laws of the State of Delaware, United States of America, of West Grand Boulevard and Cass Avenue, Detroit, Michigan 48202, United States of America, made application (No. 2000/03106) to register the word SMARTCARE as a trade mark in Classes 36 and 37 in respect of a specification of services that was amended in the course of the examination of the application to read as follows: Class 36 - “Insurances; financial services, namely automotive and vehicle leasing services; life and disability insurance”; Class 37 – “Maintenance, repair and servicing of motor vehicles and motor vehicle engines”.
2. The Application was accepted for registration and advertised accordingly under No. 222535 in Journal No. 1942 on 15 May, 2002.

Notice of Opposition

3. Notice of Opposition to the registration of the mark pursuant to Section 43 of the Act was filed on 13 August, 2002 by Micro Compact Car Smart GmbH of Industriesstrasse 8, 71272 Renningen, Germany (now Smart GmbH of Leibnitzstrasse 2, 71032 Böblingen, Germany). The Applicant filed a counter-statement on 2 December, 2002.

Request for leave to amend the Notice of Opposition

4. On 17 April, 2003, the Opponent sought leave to amend the Notice of Opposition to include details of one of its trade marks that had not been included in the Notice of Opposition as originally filed and to correct some typographical errors. Following correspondence between the Office and the Opponent in the matter, the Applicant was invited to indicate whether it would agree to the proposed amendment. By letter dated 19 February, 2004, the Applicant indicated that it did not so agree. The Opponent was informed accordingly on 24 February, 2004 at which time the Office indicated that it was proposed to refuse permission to amend the Notice of Opposition subject to the Opponent's right to be heard.

5. The matter became the subject of a hearing before me, acting for the Controller, on 30 March, 2004 at which the Opponent was represented by Ms. Anne Ryan, Trade Mark Agent of Anne Ryan & Co. and the Applicant by Mr. Niall Rooney, Trade Mark Agent of Tomkins & Co. The parties were notified on 7 April, 2004 that I had decided to allow the amendment of the Notice of Opposition only insofar as the correction of typographical and drafting errors was concerned and to refuse permission to amend the Notice by the insertion of an additional ground of objection. I now state the grounds of my decision and the materials used in arriving thereat.

The hearing

6. At the hearing, Ms. Ryan argued in support of the Opponent's request for leave to amend the Notice of Opposition on three main grounds. Firstly, she referred to the fact that there is a policy objective of keeping invalidly registered marks off the Register and that the Controller should have the opportunity to consider all matters relevant to an application for registration before allowing a mark to proceed to registration. Secondly, she pointed out that, if the amendment is not allowed, the Opponent may be forced to initiate invalidation proceedings against the mark following registration, which multiplicity of proceedings may, and should, be avoided. Finally, she stated that the inconvenience and additional cost to the Applicant by allowing the amendment at this time would be negligible as the preparation and filing of evidence in the opposition proceedings had not yet commenced.

7. In response, Mr. Rooney stated that, if the Controller had a discretion to allow the amendment of the Notice of Opposition (which he did not necessarily accept), then that discretion must be exercised within the parameters of the Act and Rules and must not be exercised in such a way as to defeat the purpose of the Act insofar as opposition proceedings are concerned. In particular, the Controller should not, by allowing an amendment of the Notice of Opposition, effectively extend the time within which an Opponent must state the grounds on which he relies for his opposition. The Controller's general power to enlarge time does not extend to the time for filing a Notice of Opposition and to allow the amendment in this case would be to establish a bad precedent that would bring unnecessary uncertainty into the procedures governing oppositions before the Office.

Relevant legislation

8. Section 43 of the Act provides, *inter alia*, for the giving of notice to the Controller of opposition to the registration of a mark. The relevant provision insofar as the present matter is concerned is to be found at Subsection (2), which provides as follows:

(2) Any person may, within the prescribed time from the date of publication of the application in the Journal, give notice to the Controller of opposition to the registration; and any such notice shall be given in writing in the prescribed manner, and shall include a statement of the grounds of opposition.

9. Rule 18 of the Trade Marks Rules, 1996 specifies that a Notice of Opposition under Section 43 shall be sent to the Controller *within three months of the date of publication of the application in the Journal.*

10. Of relevance also is Rule 63, which bestows on the Controller a general discretion, subject to certain restrictions, to enlarge time. The relevant provisions of Rule 63 are as follows:

(1) The time or periods:

(a) prescribed by these Rules, other than the times or periods prescribed by the rules mentioned in paragraph (2) below, or

(b)

may, at the request of the person or party concerned, be extended by the Controller if he or she thinks fit, upon such notice to any other person or party affected and upon such terms as he or she may direct.

(2) The Rules excepted from paragraph (1) of this Rule are Rule 18(1) (time for filing opposition to registration),

11. Finally, Rule 75 gives the Controller a general power, subject to certain restrictions, to allow the amendment of documents and the correction of irregularities in procedures. It provides as follows:

Any document for the amending of which no special provision is made by the Act or these Rules may be amended, and any irregularity in procedure which in the opinion of the Controller may be obviated without detriment to the interests of any person may be corrected, if and on such terms and in such manner as the Controller thinks fit; provided that, without prejudice to the Controller's power to extend any time or periods under Rule 63 and except where such irregularity is attributable wholly or in part to an error, default or omission on the part of the Office, the Controller shall not direct that any period of time specified in the Act or Rules shall be altered.

The Controller's power to allow an amendment

12. The first question that emerged at the hearing as being at issue between the parties was whether or not the Controller has a discretion to allow an amendment of the Notice of Opposition in the circumstances that obtain in this case, i.e., where the requested amendment involves the addition of a new ground of opposition after the elapse of the period within which an Opponent is required to file an opposition and to state the grounds on which he relies. I am satisfied that this question may be answered in the affirmative. Rule 75 is absolutely clear on the point and it

bestows on the Controller a general power to allow the amendment of documents if and on such terms as he thinks fit. Indeed, the wording of the Rule would suggest that that power is not even subject to the same restriction as applies to the exercise of the other power granted by the Rule, viz., the power to correct irregularities in procedure; such irregularities may only be corrected if to do so would be *without detriment to the interests of any person* but that proviso does not apply to the amendment of documents. A Notice of Opposition is undoubtedly a document and, accordingly, may be amended if the Controller thinks fit. This very question was, in fact, considered by the English High Court as long ago as 1890 in the matter of *Henri Moët's Application* [7 RPC 226] when it was determined that the equivalent provision of the legislation then in force in England gave the Comptroller the power to amend a Notice of Opposition, including by the addition of a new ground of opposition.

13. The Applicant has argued that the power to allow an amendment of the Notice of Opposition must be tempered by the requirement in Section 43 of the Act that an Opponent state the grounds on which he relies for his opposition within the prescribed time, i.e., three months of the publication of the application. It is suggested that a liberal exercise of the power to allow amendments of Notices of Opposition would effectively extend the time within which an Opponent may raise an objection against an application. I am not concerned about any potential or suggested conflict between Section 43 and Rule 75 in this regard. Firstly, the general power of amendment provided for in Rule 75 is not made subject to any specific restriction with regard to the nature of the amendment that may be allowed. Secondly, it is perfectly reasonable to expect that there will be circumstances in which a person who gives notice of opposition to the registration of a mark may subsequently discover facts that were not known to him at the time that he stated the grounds on which he relies. In those circumstances, the combined application of the provisions of Section 43 and Rule 75 will, it seems to me, support the objectives of the Act and Rules rather than defeating them; the Notice of Opposition will have to be given within the three-month timeframe and the Opponent will have to state the grounds on which he relies *at that time* but additional grounds may be added later by the amendment of the Notice of Opposition if the Controller thinks fit having regard to the specific circumstances

of the case. While remaining cognisant of the provisions of Section 43 as to the requirement that an Opponent state the grounds on which he relies, I am satisfied, therefore, that it is within the power of the Controller under Rule 75 to allow the amendment sought by the Opponent in this case.

The proposed amendments

14. The Notice of Opposition filed on 13 August, 2002 (the original Notice) itemised a number of marks owned by the Opponent and a number of grounds of opposition against the application for registration. The following are the particulars of the Opponent’s marks cited in the original Notice:

Mark	Number	Class(es)	Date
SMART	173031	7	29/09/95
SMART	173032	12	29/09/95
SMART	1995/06818 (226372)	35, 36, 37, 39, 41, 42	29/09/95

15. Paragraphs 12-14 of the original Notice itemise grounds of opposition to registration of the Applicant’s mark under Section 10, subsections (1)-(4) of the Act on the basis of the similarity between the marks cited and the mark applied for and/or the similarity of the respective services.

16. In the Notice of Opposition presented on 17 April, 2003 (the amended Notice), another mark owned by the Opponent is cited in addition to those mentioned in the original Notice and objection is raised on the basis of the identity of this mark with that which the Applicant seeks to register and because the respective goods and services “clearly overlap”. The following particulars are given in respect of the mark in question, which is a Community Trade Mark:

Mark	Number	Class(es)	Date
SMARTCARE	937417	1, 2, 3, 4, 5, 21	21/12/99

17. In addition to the foregoing substantive amendment, some minor typographical amendments are also made to the original Notice of Opposition.

18. No reason was given by the Opponent as to why the mark cited in the amended Notice of Opposition had not been included in the original Notice and nor was Ms. Ryan in a position to explain this omission at the hearing. When the original Notice was filed, the Opponent was represented by another firm of Trade Mark Agents and Ms. Ryan could only speculate that the failure to include Community Trade Mark No. 937417 in the original Notice of Opposition may simply have been an error on the part of the Applicant or its Agents. Mr. Rooney, for the Applicant, expressed the opinion that it is equally as likely that the Opponent considered citing its Community Trade Mark at the time of preparing and filing its original Notice of Opposition but decided against doing so, perhaps because of the fact that that registration is in respect of goods and the Applicant's mark relates to services. He objected to the Opponent being given another "bite at the apple" in the absence of any reason why it did not avail of the opportunity to cite its earlier Community Trade Mark first time around.

19. Having considered the arguments presented by both sides, I have decided that the Applicant should prevail. The filing of a Notice of Opposition puts in motion an adversarial process between the Applicant and the Opponent, the procedures for governing which are clearly set out in the Act and Rules. The first requirement on the Opponent is to file his Notice of Opposition within the specified time and to state the grounds on which he relies. If he subsequently seeks to extend those grounds, as the Opponent does here, then the Applicant is entitled to object and to demand a statement of the reasons why the ground that is now sought to be introduced was not previously raised. In the present case, no reason has been advanced on behalf of the Opponent as to why it did not cite its Community Trade Mark in the original Notice of Opposition. While one may sympathise with the Opponent's current Agents who were not involved in the preparation of the original Notice, it is extraordinary that the Opponent has apparently not even provided an explanation to them as to why it did not cite the Community Trade Mark when opposing the present application. In the absence of any explanation from the Opponent and given that it could not have been unaware of the matter

that it now seeks to introduce when it filed the original Notice, there do not appear to be grounds for holding that the proposed amendment should be allowed.

20. Requests such as this for the amendment of a Notice of Opposition (or for the introduction in appeal proceedings of additional facts not previously in evidence) have been considered in a number of cases from which I have taken guidance as to the circumstances in which it is appropriate to grant such requests. In *Henri Moët's Application*, referred to above, the Opponent sought to add a charge of fraud to the other grounds that it had cited in its Notice of Opposition following the filing by the Applicant of its Counter-Statement. The facts on which the Opponent based this charge only became known to it in the course of the preparation of its evidence in support of its opposition and the judgement of the court is clear that, not only did the Comptroller have the power to allow an amendment, but that he should allow the amendment sought in the circumstances of the case. In *Kenrick and Jefferson Ltd.'s Application* [26 RPC 641], an Opponent whose opposition had been dismissed by the Registrar sought to introduce fresh grounds of opposition on appeal to the court. The request was refused as the court was satisfied that the Opponent was aware of the matters in question when the opposition was before the Registrar and deliberately abstained from raising them. Finally, in *C. Ingerhol & Co.'s Trade Mark* [48 RPC 399], which concerned an application for rectification of the Register, an application to adduce new evidence on appeal from a decision of the Registrar was refused by the court on the basis that the Registrar had afforded the party in question an opportunity of an adjournment for bringing forward that evidence and that offer had been declined. Although there was a public interest dimension to the action, Eve J stated:

On the whole I think that what has taken place precludes me from saying that justice requires that I should admit this evidence. In these circumstances,, I cannot regard the public interest to the detriment of [the other party]"

21. On the basis of the authorities mentioned, I am satisfied that an important factor to be taken into account in considering the amendment proposed in this case is the question of whether or not the Opponent had an opportunity to include in the

Notice of Opposition the mark that it now seeks to introduce to it and whether it chose to avail of that opportunity. It is clear that the Opponent had such an opportunity and it is also the case that, for whatever reason, it did not choose to avail of it. In those circumstances, it does not seem equitable to me to allow the Opponent to introduce a fresh ground of opposition against this application in the face of a legitimate objection from the Applicant. The Controller must remain strictly impartial in the conduct of opposition proceedings before the Office and, where competing rights and interests are concerned, due consideration must be given to the entitlements of each side. The Applicant is entitled to object to the Opponent's request for an amendment of the Notice of Opposition and, faced with that objection, the Opponent must justify its request. In my opinion, it has not done so as it has provided no reason for its failure to include its Community Trade Mark in the original Notice. Accordingly, I have decided to refuse the Opponent's request insofar as the introduction into the Notice of Opposition of a citation of, and objection based on, the Community Trade Mark is concerned.

22. There are two matters that require brief comment arising from my decision in this matter. Firstly, there is the matter of the public interest and the Opponent's assertion that failure to consider its earlier Community Trade Mark in the context of the present opposition will not serve the objective of refusing registration to marks that are likely to cause confusion among the public. While I do not discount the importance of this factor, I think it may be overstated somewhat by the Opponent. It is noteworthy that Section 10(6) of the Act provides that the prohibition against the registration of a mark that is confusingly similar to an earlier mark does not apply if the proprietor of the earlier mark consents to the registration. It is evident, therefore, that there are circumstances in which the public interest referred to by the Opponent may, effectively, be set aside. There is also the fact that it is open to the Opponent to act on its concerns in this regard by furnishing observations to the Controller under Section 43(3) as to whether, in light of its earlier Community Trade Mark, the Applicant's mark should be registered.

23. Secondly, there is the Opponent's argument that it may have to institute proceedings for the revocation of the Applicant's mark if that mark proceeds to

registration in the absence of any opposition based on the earlier Community Trade Mark. If that eventuality does in fact ensue, then it will have been brought about by the Opponent's failure to cite all of the possible grounds of opposition available to it when the application was open to opposition and it is stretching matters somewhat to suggest that that is a ground for allowing the amendment now sought. I think it would create a very bad precedent indeed to say that a person who decided not to oppose an application on a certain ground that was available to him could later reverse that decision for the sole reason of escaping the consequences of it.

Decision

24. For the reasons stated, I have decided that Community Trade Mark No. 937417 SMARTCARE may not be added to the Notice of Opposition by way of an amendment. The other amendments proposed are for the purposes of correcting minor drafting errors and they have not been objected to by the Applicant and, accordingly, may be allowed.

Tim Cleary
acting for the Controller

4 May, 2004