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Association

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November 29, 2012

Mr. Brendan Bourke

IP Australia

Via email: [reform@ipaaustralia.gov.au](mailto:reform@ipaaustralia.gov.au)

Re: Exposure Draft Regulations on "Raising the Bar"

Dear Mr. Bourke:

As a global organization of 5,900 trademark owners and professionals from over 190 countries, including 103 members from Australia, the International Trademark Association (INTA) greatly appreciates the opportunity to comment on Schedule 3 Trade Mark Regulations of the exposure draft regulations to implement the Intellectual Property laws Amendment (Raising the Bar) Act of 2012. We apologize for the delay in getting these comments to you and appreciate your continued consideration.

INTA is a not-for-profit membership association dedicated to the support and advancement of trademarks and related intellectual property as elements of fair and effective national and international commerce. INTA members share common interests in the protection of trademarks and the development of trademark law, and they rely on INTA to represent those interests with national governments and international organizations. INTA's diverse membership includes multinational corporations and other business enterprises of all sizes, intellectual property and general practice law firms, trademark agent firms, service firms, trademark consultants and academic institutions.

The enclosed submission was prepared by INTA with the assistance of the Trademark Office Practices Committee as well as members of INTA's policy staff. If you have any questions, please contact Mr. Seth Hays, External Relations Manager for Asia-Pacific, at [shays@inta.org](mailto:shays@inta.org).

Sincerely,

A handwritten signature in black ink that reads "Alan C. Drewsen". The signature is written in a cursive style with a horizontal line underneath it.

Enclosure

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## INTERNATIONAL TRADEMARK ASSOCIATION

### COMMENTS ON

### “RAISING THE BAR” DRAFT REGULATIONS

INTA is pleased to submit our comments on the Schedule 3 Trade Mark Regulations of the exposure draft regulations to implement the *Intellectual Property Laws Amendment (Raising the Bar) Act 2012*. The comments were compiled by the Asia-Pacific Subcommittee of INTA’s Trademark Office Practices Committee.

### SCHEDULE 3 TRADE MARK REGULATIONS

#### **Regulation 2.3 - Giving of documents by Registrar**

It is noted that this regulation has been included to allow the Registrar of Trade Marks to provide or make documents available by electronic means and that the changes are sufficiently flexible to allow for the Trade Marks Office to provide documents via an Internet portal in the same manner as documents are made available by the Patent Office. What is not clear is how the intended recipient is to be notified and how a document is "given" if a party does not have access to email or the Internet.

#### **Regulations 5.6 to 5.18 – Opposition to Registration of an Application**

#### **Regulations 5.6 to 5.8 – The filing of the Opposition**

The Notice of Intention to Oppose and a Statement of Grounds and Particulars must be filed in "approved form." However, no forms have been provided and there is little guidance on what detail is required in a Statement of Grounds and Particulars. Given the limited ability to amend these documents (see below) it is critical that there be a clear understanding of the information required and the form of these approved documents.

#### **Regulation 5.9 – Statement of Ground and Particulars Must be Adequate**

As foreshadowed above, there is no criteria specified to determine the adequacy of a Statement and this must be addressed for the efficient working of the system. It should also be clear whether an applicant has any grounds to challenge the adequacy of the Statement.

#### **Regulation 5.10 – Extension of Time for Filing a Notice of Intention to Oppose or Statement of Grounds and Particulars**

The only grounds provided for requesting an extension of time are as follows:

- (a) an error or omission by an employee, or the person, or the person’s agent;
- (b) circumstances beyond the control of the person, other than an error or omission by an employee or the person’s agent.

This substantially reduces the scope for obtaining an extension of time by removing the possibility of obtaining an extension of time on the basis that (i) the parties are conducting genuine negotiations or (ii) to undertake research.

It is acknowledged that the parties are entitled to request a "Cooling-off Period" after the Statement of Grounds and Particulars has been filed. However, INTA believes that the overall proceedings should encourage the parties at all times to resolve oppositions and potential oppositions by negotiation. INTA strongly recommends that the parties be provided with the opportunity at the earliest possible time to negotiate a settlement. In particular, this opportunity should be provided to the parties prior to the filing of the Statement of Grounds and Particulars.

INTA continues to be very concerned with the proposal to remove the possibility that an opponent can obtain an extension of time to undertake research. In the experience of INTA members, unexpected delays can often occur when conducting research.

Further, given the desire for the opponent to file a Statement of Grounds and Particulars (which ideally should not need to be amended) it is in the best interests of all parties to allow for an extension of time to enable the necessary research to be completed. It is appreciated that IP Australia may have concerns that such a provision may be inappropriately used by a potential opponent. Thus, INTA supports the "tightening up" of the provisions to require the potential opponent to provide further and more precise details of the nature of the research being conducted and the progress thereof.

#### **Regulation 5.13 – Amendment of Statement of Grounds and Particulars**

As indicated in earlier submissions INTA supports the introduction of the provisions relating to the amendment of the Statement of Grounds and Particulars. However, INTA is concerned about the terms under which the Registrar may grant the request to amend.

It is noted that under Regulation 5.13(3) the Registrar may only grant the request if the Registrar is satisfied that the amendment or addition relates to information of which the opponent could not reasonably have been aware at the time of filing the statement. This provision is of concern because it may result in any doubt in the mind of the Registrar being exercised against the opponent. Moreover, it is likely this test will be difficult to apply in practice.

#### **Regulation 5.14 – Filing of Notice of Intention to Defend**

INTA supports the insertion of a provision requiring the applicant to file a Notice of Intention to Defend. However, as noted in previous submissions, INTA remains of the view that the Notice of Intention to Defend must be accompanied by a fee, to avoid the Applicant simply "ticking a box." The Association maintains that this is the preferred position. The fee need not be substantial, but it will turn an Applicant's mind to whether or not it is committed in its intention to use the mark.

### **Regulation 5.15 – Filing of Evidence**

INTA generally supports the time periods provided for the filing of the evidence in support and answer under this regulation subject to the comments relating to extensions of time and confidentiality noted below. However, INTA sees no basis for reducing the time period for filing evidence in reply.

In addition, INTA has serious concerns about the proposal to abolish the further evidence provisions and the associated safeguards that this evidence be in declaratory form and be subject to the usual tests that the material could not reasonably have been filed earlier.

In the majority of opposition matters it is necessary for one or both of the parties to file evidence of a confidential nature. However, the regulations as currently drafted provide no indication as to how such matter is to be treated.

### **Regulation 5.16 – Extensions of Time to File Evidence**

It is acknowledged that provisions to extend the due date for filing evidence have been provided. However, the draft regulations are not clear as to under what circumstances an extension will be granted.

As previously noted, the Association considers that extensions of time should be made available on reasonable grounds. In particular, unlike the current provisions, the proposed extension provisions do not seem to take into account the commercial realities in dealing with overseas entities and the difficulties associated therewith.

In addition, INTA has concerns with the terminology used in the provisions. In particular, it is unclear as to what support the party requesting the extension of time will need to provide to the Registrar to establish that “despite acting promptly and diligently, at all times to ensure the filing of the evidence within the period” the party was unable to file the evidence.

### **Regulation 5.17 – Cooling-off Period**

INTA supports the provision but believes the 12 month limitation to be too onerous. There are many instances where negotiations will continue longer, sometimes far longer, than 12 months, particularly if the negotiations involve oppositions in other jurisdictions.

In the majority of circumstances the only persons likely to be disadvantaged by the opposition remaining suspended are the opponent and the applicant. Thus, to force the parties to proceed with the opposition after a 12 month period (regardless whether genuine negotiations are still continuing) seems unproductive.

INTA supports the granting of the initial 6 month period and the allowing of a further 6 month period. However, INTA believes that the number of suspensions should not be limited, or if so, should be consistent with similar provisions in other jurisdictions. For example, under the corresponding provisions for opposition proceedings against European Community Trade Marks it is possible for the parties to be granted a Cooling-off Period of up to 24 months.

### **Regulation 5.18 – Hearing of the Opposition**

Proposed Regulation 5.18 (4) provides that the hearing may, at the Registrar's discretion, be (a) an oral hearing, or (b) by written submissions. INTA believes that in the interest of fairness all parties should be entitled to present their case at a hearing in the best possible manner. Thus, INTA supports the current regulations (see Regulation 21.15) where there is provided an explicit provision for the party to attend a hearing in person or by such other means as the Registrar reasonably allows.

### **Regulations 6.5 to 6.10 – Opposition to Amendment of Application and Other Documents after particulars published**

#### **Regulation 6.6 – Notice of Opposition**

This regulation allows for a 1 month period for a person to oppose a request for amendment. INTA considers that this period is inadequate and does not appear to take into consideration the commercial realities that a party needs to consider before making a decision to take action against another party.

In addition, there are no explicit provisions for a potential opponent to file a request for an extension of time to oppose.

#### **Regulation 6.8 – Hearing of the Opposition**

It appears that there is no provision for the Registrar to hold a hearing unless requested by a party involved in the opposition. This is inconsistent with the other proposed opposition regulations.

Proposed Regulation 6.8 (3) provides that the hearing may, at the Registrar's discretion, be (a) an oral hearing, or (b) by written submissions. INTA believes that in the interest of fairness all parties should be entitled to present their case at a hearing in the best possible manner. Thus, INTA supports the current regulations (see Regulation 21.15) where there is provided an explicit provision for the party to attend a hearing in person or by such other means as the Registrar reasonably allows.

### **Regulations 9.1 to 9.21 – Removal of Trade Mark from the Register for Non-Use**

All of the comments made in relation to Regulations 5.6 to 5.18 apply to the corresponding provisions in Part 9. INTA also wishes to raise the following additional concerns:

#### **Regulation 9.15 – Filing of Evidence**

Proposed Regulation 9.15 (5) provides that if the opponent does not file any evidence in support of the opposition, the applicant must (sic) file any evidence in answer within 3 months. INTA is of the view that the failure of an opponent to file any evidence indicates that the Statement of Grounds and Particulars is unsupported and on this basis the opposition should be dismissed.

**Regulation 9.16 – Request for hearing and circumstances in which opposition taken to have ended**

INTA is concerned that this provision has not been fully considered. It appears from this provision that an opponent would be able to file a Notice of Intention to Oppose and a Statement of Grounds and Particulars and then request a hearing without filing any supporting evidence. Following this under proposed Regulation 9.16 (1) the Registrar must hear the opposition.

The above proposal is of concern because it is inconsistent with proposed Regulation 9.15 (5) in that it does not provide any provision for the non-use applicant with an opportunity to file any evidence.

**Regulations 17A.29 to 21.20G – Opposition to IRDA**

All of the comments made in relation to Regulations 5.6 to 5.18 apply to the corresponding above provisions in Part 17A Subdivision 3.