

Court interprets non-use provisions

Posted on 17/03/2009 by [Kate Duckworth](#)

In *Heinz Wattie's Limited v Goodman Fielder Consumer Foods Pty Limited* (CIV 2007-404-6946, High Court Auckland, 10 December 2008, Stevens J) the court was required to consider whether the applicant for revocation for non-use could add an additional ground following the emergence of new evidence.

In 2005 the applicant (Goodman Fielder) applied for revocation on the basis of section 66(1)(a), namely that a continuous period of three years or more has elapsed during which the trade mark was not put to genuine use. In 2007 the matter was heard before the Assistant Commissioner of Trade Marks and she ruled that there had been no use under section 66(1)(a) and ordered the trade mark to be revoked. The owner of the trade mark (Heinz Wattie's) appealed in late 2007 and filed an interlocutory application to file further evidence demonstrating that Heinz Wattie's had resumed use of the trade mark in mid 2006, which was after the date of the application for revocation. The evidence was relevant to section 66(1)(b) which provides that a registration can be revoked if use has been suspended for an uninterrupted period of three years. Heinz Wattie's sought to rely on section 66(3) which provides that a trade mark must not be revoked if use is commenced or resumed after the expiry of the three year non-use period and before the application for revocation is made.

Goodman Fielder applied to amend the application for revocation to include section 66(1)(b). The application was opposed by Heinz Wattie's, who considered that Goodman Fielder should apply to the Intellectual Property Office of New Zealand to amend the original application for revocation that was filed there. The Assistant Commissioner responded by stating that she was functus officio and declined to deal further with the issue.

The judge on appeal allowed the amendment to the application for revocation to include section 66(1)(b). It was said that at the time of applying for revocation for non-use the applicant is unlikely to know all of the facts relevant to use or otherwise. That knowledge was said to be in the mind of the owner of the trade mark. Such facts would only emerge during the evidence phase. The failure to particularise the statutory basis for seeking revocation did not make the application for revocation invalid or ineffective. There was said to be no good reason why it should not be open for an applicant who advanced only one ground to include a further ground if the evidence emerged to support it. The role of the court was said to be to put itself in a position to deal with the real controversy between the parties.

The judge also noted the public interest in ensuring that the trade marks register is kept free of trade marks which are not in use. Heinz Wattie's submitted that it was entitled to take advantage of the fact Goodman Fielder had not initially sought revocation on the basis of section 66(1)(b), and sought to rely on section 66(3), namely that the use was commenced or resumed after the expiry of the three year non-use period and before the application for revocation is made and the trade mark could not therefore be

revoked. The judge was critical of this approach and said that Heinz Wattie's deliberately and cynically delayed filing evidence to show how the trade mark was used in order to defeat the application for revocation and maintain its mark on the register.

The judge allowed Goodman Fielder to include section 66(1)(b) as a ground for revocation and the substantive appeal proceeds on that basis.

World Trademark Review Daily

17 March 2009