

O-343-11

TRADE MARKS ACT 1938

**IN THE MATTER OF TRADE MARK APPLICATION 1571303A BY OMEGA
ENGINEERING INC TO REGISTER THE FOLLOWING MARK IN CLASS 9:**

Ω OMEGA

AND

OPPOSITION THERETO (NO 90476A) BY OMEGA SA

INTRODUCTION AND BACKGROUND

1) The application the subject of this dispute was applied for by Omega Engineering Inc (“Engineering”) under the Trade Marks Act 1938 (hereafter “the old Act”) on 6 May 1994. Despite the application still having a pending status when the Trade Marks Act 1994 (hereafter “the new Act”) came into force, Engineering chose not to convert it into a new Act application. A range of goods in class 9 were the subject of the application. Some of these were divided out on 10 January 2011 and the mark proceeded to registration in respect of them; this is because those goods were not subject to the opposition. Left behind, was this divisional application in respect of a single term, namely: period times.

2) Omega SA (a Swiss company which I will refer to as “Swiss”) opposes the registration of the application for period timers. It is common ground that the opposition would succeed if it were not for two matters, namely: i) an agreement between Swiss and Engineering from 1984 which, amongst other things, prevents Swiss from opposing the registration of marks (by Engineering) which contain the word OMEGA for certain goods and ii) Engineering’s proposed limitation to bring itself within the scope of the 1984 agreement. I will come on to the detail of the agreement and the limitation later. Engineering has also requested that class 14 be added to its application in respect of the same (limited) specification. Swiss have also raised two other matters, one relating to the defence filed by Engineering (was it late?) and the other relating to the division of the application (should it have been allowed?).

3) The matters that need to be determined are, therefore, narrowly defined. There is no dispute on this. The four issues that I need to determine are:

- i) Should Engineering’s defence be treated as late filed and, consequently, its application for registration deemed to be withdrawn?
- ii) Should Engineering’s application have been divided?
- iii) Should Engineering’s request to add class 14 to its application be permitted?
- iv) Should Engineering’s proposed limitation be allowed and does this have an impact on the opposition?

4) I discussed all of the above issues at a hearing¹ that took place before me on 4 August 2011. I will deal with all of these points in turn.

¹ At the hearing Swiss were represented by Mr Edenborough QC, instructed by Mewburn Ellis, and Engineering were represented by Mr Crouch of Broomhead Johnson.

WAS THE DEFENCE FILED OUT OF TIME?

5) Swiss raised this issue for the very first time on 22 July 2011, some nine years after Engineering filed its defence. It is highly regrettable that such a length of time elapsed before this issue was raised. Mr Edenborough submitted that the hearing was the appropriate time and place for doing so. I do not agree. The time to raise such an issue is at the time when the defence is filed, or soon after. However, Mr Crouch did not argue that the length of time elapsed meant that Swiss were disentitled to raise the issue now. I will, therefore, consider the point.

6) I need to consider this issue at the point in time when the defence was filed. Both parties are agreed, as am I, that the Trade Mark Rules 2000 were the applicable rules at the relevant time. Those rules stipulated that a notice of opposition must be filed within three months of the date on which the application was published (rule 13(1)) and that to defend the application the applicant must file its counterstatement within three months of the date on which the notice of opposition is sent by the registrar to the applicant (rule 13(3)). Both the notice of opposition and the counterstatement must, therefore, be filed within three months of a specific occurrence. The notice of opposition was sent to Engineering on 24 April 2002 and the counterstatement was filed on 24 July 2002. Mr Edenborough argued that this meant that the counterstatement had not been filed within the three month period. Mr Crouch argued that if Mr Edenborough were correct then the opposition filed by Swiss was, in itself, out of time (similar lengths of time being involved). Mr Edenborough, though, countered this by referring to the transitional provisions of the rules which stipulated that in respect of an old act case, the period of time to oppose is the three month period from the date of advertisement. Mr Edenborough therefore drew a distinction between the use of the words “within” and “from”.

7) I consider it unnecessary to delve into this issue. This is because, and as I pointed out to Mr Edenborough at the hearing, the relevant rules also included provision to deal with irregularities in procedure in or before the Office. If non-compliance with a time period occurred due to an irregularity attributable to an error on the part of the Office, such an irregularity may be rectified. Mr Edenborough accepted that I had discretion to do so. In this case the registrar, when sending Engineering a copy of the notice of opposition, informed Engineering when its counterstatement was to be filed (24 July 2002). Engineering complied with that deadline. If there was a fault, then the failure to comply was down to the Office. In such circumstances, I would have no hesitation directing that the time period be extended to the day on which the counterstatement was received. Similar action has recently been taken on the interpretation of time periods under the new rules (see TPN 4/2010). **I dismiss Swiss’ claim on this point.**

THE DIVISION OF THE APPLICATION

8) Swiss' point, in a nutshell, was that the ability to divide an application only came to be through the substantive law contained in section 41(1)(a) of the new Act. As the power was introduced through substantive law, power which was not contained in the old Act, it was argued that it was not legally possible to divide the old Act application the subject of this dispute. Mr Edenborough urged me to treat the matter as a procedural irregularity and argued that I ought to set the position back to the pre-division point in time. Engineering, on the other hand, argued that the procedural rules which have existed in various guises since the introduction of the new Act relate to both old and new Act cases and that no distinction (between the old and the new Act) has been made in the rules regarding the ability to divide. Without any such distinction, it was argued that the power to divide was applicable to both old and new Act cases.

9) In *Interlego* [1998] RPC 69², Neuberger J held:

“There are, I accept, arguments the other way. The manner in which sections 41 and 78 of the 1994 Act are expressed could be said to provide some support for the proposition that, while the rules governing how division is to be applied for and how it takes place are procedural, the actual right to divide is substantive. However, I consider that the way in which those two sections are expressed cannot, and was not intended to, determine what matters are within “practice and procedure” for the purpose of paragraph 10 of schedule 3 to the 1994 Act. In any event it seems to me that it is quite possible to read the reference to “generally for regulating practice and procedure” at the end of section 78(1) as quite consistent with some, or even all, of the somewhat more specifically identified matters mentioned in paragraphs (a) and (b) of that sub-section also being matters of practice and procedure. Secondly, it is said that the right to divide an application confers on an applicant a right which can be of substantive value. However, I do not consider that this prevents the right to divide being itself a matter of practice or procedure. In many cases the ability to rely on what is undoubtedly a matter of, or a change in, procedure or practice will, as a matter of course, result in substantive benefits.”

10) The above case provides guidance not just on the issue of applicable rules, but also on the specific question as to whether an old Act case may be divided. Neuberger J answered the question in the affirmative. Engineering's submissions regarding the above case were that it demonstrates clearly that its division had been correctly allowed. Swiss argued that I was not bound by the above decision. The reasons provided for such a line of argument were that Neuberger J may have got it wrong and, furthermore, his decision is limited to division in the same class and, thus, it cannot justify division into different classes. I am a little bemused by Swiss' submissions. Neuberger J's decision is binding upon me and, therefore, I am bound to follow it. The division was, in any event, within the same class. There is no significant difference in facts compared to those considered in *Interlego*. **My finding**

² As I did not mention this case at the hearing, I subsequently brought it to the parties' attention and permitted a short time period for the filing of further written submissions.

is that an old Act case may be divided, so Swiss' claim on this point is dismissed.

THE REQUEST TO ADD CLASS 14 TO THE APPLICATION

11) The proposed amendment to the class 9 specification reads:

“Period timers intended for a scientific or industrial application in measuring, signalling, checking, displaying or recording heat or temperature (including such having provision to record heat or temperature over a period of time and/or to display the time of day)”

12) Engineering request that class 14 be added to the application for a similar specification. It argues that even though multiclass applications were not permitted under the old Act, the rules relating to the addition of a class which have been introduced since the new Act came into force also apply to old Act cases; it made similar arguments to those in relation to the issue of division. Swiss, on the other hand, argued that the matter was one of substantive law (as it did in relation to the division issue) and, furthermore, that the addition would result in a non-permissible widening of the application and, also, that if the new procedural rules could be used to facilitate the addition of a class, that the request itself was not permissible; reference was made to the Classification Desk Instructions issued by the Intellectual Property Office, which explain that a class may only be added if “... *an application explicitly lists goods or services which are not in the class shown on the application form.*”. This guidance is born of rule 8(4) of the Trade Mark Rules 2008³ which states:

“If the specification contained in the application lists items by reference to a class in the Nice Classification in which they do not fall, the applicant may request, by filing Form TM3A, that the application be amended to include the appropriate class for those items, and upon the payment of such class fee as may be appropriate the registrar shall amend the application accordingly.”

13) I brought the above provision to Mr Crouch's attention at the hearing. He argued that this did not prevent his request from being permitted because he was adding a class for a specification which was for, effectively, the same thing as the current specification. The issue of the same item being classified in multiple classes stems from the decision of Mr Landau (for the registrar) where he stated in an earlier case between the parties (OMEGA (O-352-09)⁴):

“A finished product which is a multipurpose composite object (e.g., clocks incorporating radios) may be classified in all classes that correspond to any of its functions or intended purposes. If those functions or purposes are not

³ These were the rules in force at the time (and still are) when the request was made. They must, therefore, be the applicable rules to consider if the rules of procedure under the new Act relate to class additions in respect of old Act cases.

⁴ This decision has been the subject of an appeal to the High Court and to the Court of Appeal, neither disturbed the finding.

mentioned in any class heading, other criteria, indicated under (a), above, are to be applied.”

14) Mr Crouch argued that Engineering was simply trying to reflect the fact that the product in question was a multipurpose composite object which fell in both classes 9 and 14 and that, therefore, the class addition should be permitted; he argued that the procedural rules did not deal with this type of issue and, thus, did not prevent the addition of a class. Rule 8(4) is clear. An addition of a class can only be effected if the current specification lists items by reference to a class in which they do not fall. Mr Crouch does not dispute that the current goods of the application are correctly classified in class 9. If the goods do fall in class 9 then it is simply not possible to add a class in respect of them. To do so would be *ultra vires*. **Engineering is constrained by rule 8(4) and, therefore, its request to add class 14 to its application must be dismissed.**

THE PROPOSED LIMITATION AND ITS IMPACT

15) As I stated earlier, the proposed limitation is an attempt by Engineering to bring its application within the scope of the 1984 agreement, an agreement which was signed for and on behalf of Engineering on 11 April 1984 and signed for and on behalf of Swiss on 9 February 1983. The relevant parts read:

“.....

OMEGA S.A. agrees to cancel from its United Kingdom Registration No.699057 the following goods (hereinafter known as “the excluded goods”); “Instruments and apparatus intended for a scientific or industrial application in measuring, signalling, checking, displaying or recording heat or temperature (including such having provision to record heat or temperature over a period of time and/or to display the time of day)” or a form of wording acceptable to the British Registrar of Trade Marks and stated by him to have the same meaning as the above wording.

.....

OMEGA S.A. agrees not to object to the use or registration by OMEGA ENGINEERING of trade marks consisting of or comprising the word OMEGA or the Greek Letter OMEGA, or elements colourably resembling the above elements, in respect of the excluded goods.”

16) As is clear from the above, Swiss agreed not to object to the use or registration by Engineering of trade marks consisting of or comprising OMEGA/the Greek letter OMEGA for what is termed the “excluded goods”, which are:

“Instruments and apparatus intended for a scientific or industrial application in measuring, signalling, checking, displaying or recording heat or temperature (including such having provision to record heat or temperature over a period of time and/or to display the time of day)

17) Engineering has requested that its current specification for “period timers” be amended to read:

“Period timers intended for a scientific or industrial application in measuring, signalling, checking, displaying or recording heat or temperature (including such having provision to record heat or temperature over a period of time and/or to display the time of day)”

18) The limiting wording matches the wording of the excluded goods, albeit the goods in the agreement are defined as “instruments and apparatus” rather than “period timers”. Mr Edenborough submitted that the proposed specification was a non-sense and that Engineering was simply attempting to shoehorn the term period timers into the wording of the 1984 agreement. To illustrate his point, his opening submission on this aspect of the case is set out below:

“The excluded goods are instruments or apparatus that themselves are capable of measuring, signalling, checking, displaying or recording heat or temperature, but also have a provision to record heat or temperature over a period of time or to display the time of day. That is the sort of instrument you are looking at -- a class 9 instrument to measure or record heat or temperature, but also has a timing element.

That is fundamentally different from a period timer. A period timer, I accept, is an instrument or apparatus, but a period timer does not have any of the capability of measuring, signalling, checking, displaying or recording heat or temperature. Therefore a period timer cannot be mutated into something that measures etc. heat or temperature. The way in which they are trying to shoehorn the whole thing is by cutting and pasting part of the definition of excluded goods and tacking it on to the word "after" excluded timers and thereby trying to create some sort of monster creation of a specification that has no true meaning. It is the feet of one thing and the head of another.”

Mr Edenborough also argued on the basis that:

“What one has here is therefore by this unnatural marrying of one thing with the other you have an attempt to broaden the specification because you are going from something which is a period timer to something that really has been tacked on to the far end of the definition of instruments or apparatus for recording or measuring heat or temperature and suchlike, so that would be a broadening”.

Furthermore, Mr Edenborough submitted:

“Also we would say the way in which the specification is now drafted, if you give it any meaning at all, is that what you are trying to do is, you are not forming a true sub-category of period timers. What you are doing actually is trying to define some terms by a characteristic. We say that is an impermissible way in which you can define a term in a specification. It is improper to just define terms by characteristics as opposed to giving proper sub-categories.”

19) Taking the first point, it seems to me, on a natural reading of the term “period timers”, that there is nothing inherently implausible for such things to have a variety of applications and purposes, including scientific/industrial applications, and that such goods may additionally perform other functions in addition to period timing. Indeed, Mr Crouch took me to some of the exhibits (DJC & DJC7) in Engineering’s evidence which include an industrial timer which also displays the time of day and a timer which also shows temperature (being able to alternate from one mode to the other). The “excluded goods” relate, essentially, to scientific/industrial devices which deal with (measure, signal, check, display or record) heat or temperature, but which may also record heat or temperature over a period of time and/or display the time. A period timer is an apparatus/instrument. A period timer could also deal with heat/temperature, recording/displaying it, whilst the period in question is being timed. The evidence does not necessarily show all the possible permutations of the device described, however, it is not, in my view, incumbent on Engineering to provide such evidence. Whilst I agree that a specification should not be permitted if it makes no sense, I do not agree with Mr Edenborough that this is the case. Indeed, the evidence points in the other direction, in that there is no reason why a period timer cannot be used for industrial/scientific purposes in dealing with heat/temperature and which may also have provision for recording heat/temperature over a period of time and/or to display the time of day.

20) The second point relates to the limitation being an extension of the goods originally sought. The term “period timers” is broad enough to cover a range of such devices including those as per the limitation. I take the view that the limitation does merely limit period timers to certain types of period timers to be used for certain purposes.

21) The third point relates to sub-categorisation. I am aware of the judgment of the Court of Justice of the European Union in the *Postkantoor* case which suggests that exclusions must relate to categories or sub-categories of goods as opposed to excluding characteristics of them. Mr Edenborough rightly highlighted that the case before me related to a positive limitation rather than an exclusion of goods, but nevertheless he was deploying similar arguments. As Mr Edenborough also stated, this is all about creating a specification with legal certainty. In my view there is legal certainty. Whilst the specification is worded with reference to the excluded goods in the agreement, the outcome is that the goods are defined as scientific and industrial period timers which deal with heat/temperature etc. The specification clearly explains what the goods are. I am satisfied that this is clear enough for classification purposes and for those inspecting the rights of Engineering.

22) I have rejected Swiss’ primary arguments which Mr Edenborough made at the hearing. However, I note, from his skeleton argument, that other factors may be relevant, including whether issue estoppel is in play and whether there has been an abuse of process. In terms of the estoppel point, this relates to another case in which the parties have locked horns, a case which also involved the term “period timers”. The case in question was *Omegameter* [2002] EWHC 2620 (Ch). Mr Justice Pumfrey, though, was dealing in that case with the interpretation of a different agreement (one concluded between the parties in 1994) and not the one in issue here. In terms of the abuse of process point, this stems from the fact that the case before me was initially defended on the basis of the 1994 agreement, but that the

goalposts were changed following the decision of Mr Justice Pumfrey. It would of course had been better if the 1984 agreement been pursued as the primary defence from the outset, but there is nothing abusive per se in the changing of the basis of the defence. For these reasons, Engineering's case should not be ruled out through issue estoppel or through abuse of process.

23) The outcome is that I have allowed the amendment to Engineering's specification reading:

“Period timers intended for a scientific or industrial application in measuring, signalling, checking, displaying or recording heat or temperature (including such having provision to record heat or temperature over a period of time and/or to display the time of day)”

24) The amended wording reflects the wording of the excluded goods. Period timers falls within the ambit of “instruments and apparatus” referred to in the excluded goods. On this basis, little analysis is required for me to conclude that the 1984 agreement prevents Swiss from opposing the (limited) application. **The opposition is rejected.**

COSTS

25) Mr Crouch sought nothing beyond usual scale costs. Mr Edenborough argued for Swiss to be awarded costs, even if it were unsuccessful in its opposition. Highlighted were the issues referred to in paragraph 22. In terms of costs, it is true that Engineering's position has moved. The 1984 agreement has, though, always been in the factual matrix of the case, being included, for example at exhibit DCJ2 of Mr Crouch's evidence. I must also bear in mind that Swiss themselves have introduced new issues into the proceedings quite late in the day, including a request (which I refused) to strike out the opposition due to a late filed defence. I also take into account that the evidence filed by both parties had limited application to the issues before me. Furthermore, the limitation of the specification means that Swiss had a measure of success (in respect of period timers, other than those so limited). Consequently, and weighing all these factors, each party should bear its own costs.

Dated this 11th day of October 2011

**Oliver Morris
For the Registrar
The Comptroller-General**