

O-064-08

TRADE MARKS ACT 1994

IN THE MATTER OF:

APPLICATIONS 82650 AND 82651

IN THE NAME OF NASRATUL AMEEN

FOR DECLARATIONS OF INVALIDITY

IN RELATION TO TRADE MARK REGISTRATIONS 2052091 AND 2307153

IN THE NAME OF TAXASSIST DIRECT LTD.

DECISION

1. On 18 January 1996 Taxassist Direct Ltd ('TDL') applied to register a series of two trade marks for use in relation to accountancy services in Class 35:



The second mark in the series is shown on the form of application in the colours blue, white and yellow, but the mark is not limited to colour.

The application proceeded to registration under number 2052091 on 11 October 1996. On 5 October 2006 Mr. Nasratul Ameen ('NA') applied under number 82650 for a declaration that the trade marks were and remained invalidly registered by reason of his earlier common law rights in the name **TAXASSIST** for accountancy services.

2. TDL subsequently applied on 3 August 2002 to register a further series of two trade marks for use in relation to accountancy services in Class 35:



The applicant claims the colours blue and yellow as an element of the second mark in the series.

That application proceeded to registration under number 2307153 on 21 March 2003. On 5 October 2006 NA applied under number 82651 for declaration that the trade marks were and remained invalidly registered by reason of his common law rights as indicated above.

3. TDL defended the proceedings on the basis of Forms TM8 with Notices of Defence and Counterstatements filed on 1 November 2006. The proceedings thereafter moved forward in parallel. NA completed the filing of his evidence in support of the invalidity applications on 10 January 2007. TDL filed evidence in answer on 19 February

2007. The Registry identified various deficiencies in the formal presentation of the evidence. On 20 March 2007 the evidence was returned to TDL for rectification of the deficiencies and re-filing within a period of 1 month expiring on 20 April 2007. TDL was informed that the re-filing would require a retrospective extension of the time for filing prescribed by Rule 33A(4) of the Trade Marks Rules 2000, which had expired on 21 February 2007.

4. On 16 April 2007 NA wrote to the Registry objecting to the granting of any such extension of time. TDL re-filed its evidence on 20 April 2007 with the necessary request for an extension. On 14 May 2007 the Registry informed TDL that there were formal irregularities in the re-filed evidence and that these would need to be addressed before the evidence could be admitted into the proceedings. The re-filed evidence was returned for rectification of the deficiencies and re-filing within a period of 14 days expiring on 28 May 2007. As before, it was pointed out that the re-filing would require a retrospective extension of the time for filing under Rule 33A(4). On 17 May 2007 TDL re-filed its evidence with the necessary request for an extension.

5. On 21 May 2007 NA wrote to the Registry opposing the latter request and asking in any event for all of the evidence submitted by TDL to be excluded for providing no adequate response to his claims for invalidity. The issues raised by his letter were considered at a hearing which took place by telephone before Mr. Raoul Colombo acting on behalf of the Registrar of Trade Marks on 9 August 2007. The Hearing Officer granted the requested extensions of time and rejected NA's request for exclusion of TDL's evidence for the reasons given in a written decision issued under reference BL O-265-07 on 13 September 2007.

6. Rule 66 provides that:

Subject to rule 68 below, any irregularity in procedure in or before the Office or the registrar may be rectified on such terms as the registrar may direct.

Rule 68(1) enables the Registrar to extend the time for filing evidence under Rule 33A(4) as he thinks fit and upon such terms as he may direct. Rule 68(5) enables the Registrar to grant a request for extension of time made after expiry of the period or time in question if he is satisfied with the explanation for the delay in requesting an extension and it appears to him to be just and equitable to do so.

7. The Hearing Officer considered that the periods of time specified by the Registry and requested by TDL for rectification of the irregularities in the presentation of its evidence were not excessive and had minimised the delay in moving the proceedings to the next stage. He acknowledged the force of NA's point that TDL's professional representatives should have been sufficiently well-versed to submit evidential material in accordance with the rules and regulations governing invalidity proceedings. He nevertheless said:

In deciding to allow the extensions of time I took the view that mistakes can and do occur. I did not have before me any evidence to support NA's submission that [TDL's professional representatives] had, in preparing and submitting the defective evidence, behaved in a cavalier or careless manner. To deny the registered proprietor the opportunity to submit the evidence to defend his property right, as a result of errors made by his professional representatives, would not only be grossly unfair but also contrary to all principles of natural justice. I can, up to a point, understand the annoyance and frustration felt by NA, however to agree to his request, and refuse the extensions of time, would represent a disproportionate response to the nature of the errors made and possible inconvenience caused.

In the result, he adhered to the view that:

...in contested proceedings, where there is an issue to be resolved and the parties are intent on defending their position, [that] it is clearly preferable to allow the proceedings to continue to a main hearing where the Hearing Officer can then decide the case with the benefit of all the evidence and submissions before him.

8. He adopted essentially the same approach to the request for TDL's evidence to be excluded:

31. NA also submitted, at the hearing, that all of the evidence submitted by the registered proprietor was irrelevant and should therefore be struck out. Having listened and noted all of the submissions made I declined to take the course of action suggested by NA. These proceedings will ultimately decide whether the registered proprietor is to remain the owner of two registered trade marks. The removal of a proprietary right is a very serious matter which may have severe legal and financial consequences for the registered trade mark owner. It is clearly in keeping with the Tribunal's role in ensuring fairness, equality of treatment and adherence to all the principles of natural justice, that the registered proprietor is permitted to submit the evidence that he feels will best support his case and enable him, in his attempt, to defeat the applications for invalidation. Irrespective of the reservations or criticisms that NA may have about the registered proprietor's evidence, I do not believe that it would be right or proper that I should deny the registered proprietor the opportunity to mount the defence he wishes. Nor do I believe that, in allowing the evidence into the proceedings, that this will somehow result in the applicant's invalidation applications being fatally disadvantaged.

32. Under the provisions of Rule 33A(5) of the Trade Marks Rules 2000 (as amended), an applicant for invalidation may file any evidence in reply to the registered proprietor's evidence. This is the mechanism by which NA can cast his doubts on the validity and relevance of the registered proprietor's evidence. By utilising the provisions of this rule, NA will have the opportunity to place before the Hearing Officer all his reservations, objections and criticisms to the registered proprietor's evidence. It will then be a matter for the Hearing Officer to decide how much weight

and consideration should be placed on all, or part, of the evidence submitted into the proceedings. This will ensure that, at final determination, the Hearing Officer will have the benefit of all the facts, evidence and submissions available to assist him in reaching his decision.

9. On 10 October 2007, NA gave notice of appeal to an Appointed Person under Section 76 of the Trade Marks Act 1994 contending, in substance, that the extensions of time had been granted without good reasons for doing so and that the evidence submitted by TDL should, in any event, have been excluded for not adequately countering the evidence filed in support of his applications for invalidity. These contentions were developed in argument at the hearing before me.

10. In relation to the extensions of time, I think it is necessary to emphasise that these were granted in order to enable TDL to comply with the Registry's requirements for correction of the irregularities in the presentation of the evidence it had attempted to file within time on 19 February 2007. In reality, it was a case of irregular compliance rather than outright non-compliance with the requirements of Rule 33A(4). NA was entitled to maintain and did maintain that the irregularities were easily avoidable and should not have occurred. He was also entitled to maintain and did maintain that it would be inappropriate for the Registrar to condone such laxity by allowing (and allowing time for) the irregularities to be corrected. However, the Hearing Officer was entitled to prefer and did prefer the view that regularisation rather than penalisation was the better way of dealing with the situation. His decision to that effect was made without error of appraisal or approach. On reviewing it for the purposes of this appeal, I am satisfied that it was well within his remit to reach the conclusion that he did.

11. In relation to the request for exclusion of TDL's evidence, it is necessary to bear in mind that the registrations in issue benefit from the rebuttable presumption of validity set out in Section 72 of the 1994 Act:

In all proceedings relating to a registered trade mark ... the registration of a person as proprietor of a trade mark shall be prima facie evidence of the validity of the original registration...

That is the backdrop against which Rule 33A(4) operates so as to enable TDL to '*file any evidence [it] may consider necessary to adduce in support of [its] case*' in defence of the registrations and Rule 33A(5) operates so as to enable NA to file '*any evidence ...confined to matters strictly in reply to the proprietor's evidence*' that he might wish to put forward in reinforcement of his applications for invalidity. Rule 33A(6) additionally provides that the Registrar may at any time, if he thinks fit, give leave to either party to file evidence upon such terms as he thinks fit.

12. Since neither party had renounced the right to file or apply for permission to file further evidence in accordance with these Rules, the Hearing Officer was bound to proceed on the basis that the registrations in issue were prima facie valid and that the evidence in the invalidity proceedings was not yet complete. That being so, he was entitled to decide that the applications for invalidity should be determined on their merits at a hearing duly appointed for that purpose after completion of the evidence, rather than upon the basis of incomplete evidence at an interim hearing appointed for the purpose of resolving procedural as opposed to substantive matters. The quality and value of the parties' (that is both parties') evidence needed to be considered in the round at the conclusion of the procedure. The Hearing Officer's decision to that effect was essentially a case management decision. For the reasons I have given, I think it should be upheld on appeal.

13. The appeals from the Hearing Officer's decisions in the invalidity proceedings are therefore dismissed and the appellant is directed to pay TDL the sum of £350. as a contribution towards its costs of the unsuccessful appeals within 14 days after the date of this decision.

Geoffrey Hobbs QC

28 February 2008

The applicant for invalidity appeared in person.

Mr. Michael Brown of Messrs Alpha and Omega appeared on behalf of the registered proprietor.

The Registrar was not represented.