

O-168-05

**TRADE MARKS ACT 1994**

**IN THE MATTER OF**

**OPPOSITION No. 91540**

**IN THE NAME OF DRINKSTOP LTD.**

**TO TRADE MARK APPLICATION No. 2289287**

**IN THE NAME OF MICHAELS FOODMARKET AND OTHERS**

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**DECISION**

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1. Trade Mark Application 2289287 (*the Application*) was filed on 4th January 2002 in the name of:

**MICHAELS FOODMARKET, MICHAELS DRINKSTOP LTD.**

**MICHAELS WHOLESALE LTD (3 Applicants).**

The Trade Marks Registry did not query the use of the denomination **MICHAELS FOODMARKET**. Following examination, the Application was accepted and published under Section 38 of the Trade Marks Act 1994 on 4th December 2002.

2. The Application was opposed by Drinkstop Ltd (*‘the Opponent’*) on 4th March 2003. In paragraph 5 of its Statement of Grounds, the Opponent contended that the Application was invalid under Sections 32(3) and 3(6) of the 1994 Act by reason of the fact that it had – to the extent that it had been filed in the name of **MICHAELS FOODMARKET** – been filed in the name of a non-existent applicant.

3. In response to the ‘non-existent applicant’ objection, the Applicants for registration maintained that **MICHAELS FOODMARKET** was the name of a partnership. The individuals identified in the Counterstatement were said to have been the partners in the firm at the date of the Application.

4. A request for amendment of the Application (to identify the Applicants for registration as **‘MR. BALDEV SINGH SUNNER, MR. TARLOK SINGH SUNNER AND MR. JASKAMEL SINGH SUNNER TRADING AS MICHAELS FOODMARKET, MICHAELS DRINKSTOP, MICHAELS WHOLESALE LTD’**) was made on Form TM21 under Section 39 of the Act. Under Section 39(2)(a) and Rule 17 of the Trade Mark Rules 2000 a request for amendment of the name of an applicant is evidently intended to be a matter between the applicant and the Registrar. There is no provision in the Act or the Rules for opposition to the request. If the request is rejected, the applicant may appeal under Section 76(1) of the Act. If it is accepted, a third party who wishes to challenge the Registrar’s decision may apply to the Court for permission to do so by way of proceedings for judicial review.

5. The Opponent objected to the request for amendment. For reasons which are not apparent to me, the Registry proceeded on the basis that the request raised issues which ought to be determined adversarially. A hearing was appointed to consider the matter. This took place before Mr. C.J. Bowen acting for the Registrar on 20th May 2004.

6. At that hearing the Opponent was permitted to object to the filing date accorded to the Application. This objection (which was not actually open to the Opponent on the Statement of Grounds on file) was raised independently of the 'non-existent applicant' objection noted in paragraph 2 above. It was said that an application for registration in the name of a firm is not sufficient, without more, to satisfy the requirement for *'the name... of the applicant'* to be contained in the application form in accordance with the provisions of Section 32(2)(b).

7. The 'applicant-not-named' objection was raised with a view to depriving the Application of its filing date (4th January 2002) under Section 33(1) of the Act. By allowing the point to be pursued on an inter parties basis, the Registrar effectively held an interim hearing to consider an ad hoc opposition.

8. In a written decision issued on 8th November 2004 (BL 0-333-04) the Hearing Officer concluded that the request for amendment could and should be accepted. Inferentially he rejected the 'applicant-not-named' objection on the basis: (1) that an error correctable under Section 39(2)(a) could not be used to deprive an application of a filing date under Sections 32(2)(b) and 33(1) of the Act because compatibility with the latter provisions is implicit in correctability under the former; and (2) use of the denomination **MICHAELS FOODMARKET** in

the Application as filed on 4th January 2002 involved nothing more serious than an error correctable under Section 39(2)(a). He decided that there should be no order for costs in relation to what I have termed the ad hoc opposition.

9. The Opponent appealed to an Appointed Person under Section 76 of the Act contending that the Hearing Officer should have upheld the ‘applicant-not-named’ objection and deprived the Application of the filing date allocated to it under Section 33. It was submitted that the date of filing should have been altered to the date in 2003 when the Registry was formally notified that the denomination **MICHAELS FOODMARKET** was the name of a partnership. That date was said to be 29th August 2003, alternatively 24th June 2003.

10. The appeal came on for hearing before me on 11th March 2005. The Applicants were not represented and no written submissions were filed on their behalf. Their agents of record confirmed in a letter sent to the Treasury Solicitor’s Department on 4th March 2005 that they believed the Hearing Officer’s decision was correct and that he had made no error in law in arriving at that decision.

11. It was conceded on behalf of the Opponent that the request for amendment under Section 39(2)(a) was allowable and that the Hearing Officer had legitimately acceded to it on the basis that he did. In addition, it was established during the hearing that the ‘applicant-not-named’ objection actually amounted to an application by the Opponent for correction of a supposed procedural irregularity under Rule 66 of the Trade Mark Rules. The supposed irregularity was the failure on the part of the Registrar to issue a notice of deficiency under Rule 11

in relation to the unqualified use of the denomination **MICHAELS FOODMARKET** in the Application filed on 4th January 2002.

12. Thus the question which ought originally to have been raised for consideration by way of a formal application under Rule 66 was whether the Registrar should have invoked Rule 11 so as to prevent the allocation of a filing date to the Application unless and until it was made explicitly clear that **MICHAELS FOODMARKET** was the name of a firm. If so, the filing date accorded to the Application would be alterable to a later date under Rule 66 in order to bring it into line with the requirements of Section 33 of the Act: Duckham & Co's Trade Mark Application [2004] RPC 29, p. 557 at para. 44.

13. It could not be (and was not) disputed that registered trade marks and applications for registration are personal property capable of being co-owned by the members of a partnership in accordance with the provisions of Sections 22, 23 and 27 of the Act. Nor was it disputed that the partnership could be a partnership at will: see the judgment of Laddie J. in SAXON Trade Mark [2003] FSR 39, p. 704.

14. At the conclusion of the hearing I allowed the Opponent 14 days within which to file further submissions in writing (if so advised) in relation to the central proposition of the case on appeal: that a partnership name does not satisfy the filing requirements of Section 32(2)(b) unless it is accompanied by an explicit indication that the name is a partnership name. By filing further submissions the Opponent would have been able to address my concerns on two points:

- (1) that the Application appeared to be acceptable under the official guidance in place when it was filed in 2002 (paragraphs 4.2.8 to 4.12.13 of Chapter 3 of the Trade Marks Registry Work Manual published in June 1996); this indicated that in cases involving co-ownership:

*‘The ownership of the mark will be taken to be the members or partners as they may exist from time to time. The Registrar will not need to be informed of changes in the composition’* (para. 4.2.8).

*‘If only the name of the partnership is given (without a list of partners) the name of the partnership will be accepted and entered on OPTICS with a new ADP number, if an ADP number does not already exist for that particular partnership name’* (para. 4.2.9).

*‘Unincorporated bodies. These include clubs, societies and associations that have not been limited by guarantee. As with partnerships, a list of all members or nominated members is not required’* (para. 4.2.13).

- (2) that the use of a firm name simpliciter appeared to be acceptable on the principle discussed in paragraphs 3-06 to 3-16 of Lindley & Banks on Partnership 18th Edn (2002) where it is noted and demonstrated by reference to decided cases that:

*‘The firm name is a convenient method of describing a group of persons associated together in business at a certain time: no more and no less’* (para. 3-06)

*‘When a firm is referred to by its name or trading style, evidence is admissible to show who in fact was a member of the firm at the relevant time. If a number of people carry on business under such a name or style, anything which they may do in that name or style will be just as effective as if their individual names had been used’* (para. 3-07).

15. However, no further submissions were filed and on 24th March 2005 the Opponent's agents of record wrote to the Treasury Solicitor's Department withdrawing the Appeal. The letter of withdrawal did not appear to have been copied to the Applicants. They were notified of the withdrawal by the Treasury Solicitor's Department in letters dated 14th and 21st April 2005.

16. Then, by letter dated 3rd May 2005, the Applicant's agents of record applied for an award of costs in relation to their perusal of the papers filed in respect of the Appeal and for advising the Applicants in relation thereto. On 17th May 2005 I gave directions for the filing of written submissions with a view to resolving the question of costs if the parties were unable to settle the matter by agreement between them.

17. On 24th May 2005 the Applicant's agents reported that the Opponent had not agreed the costs figure which had been put forward. They asked for an award on the following basis:

“Perusing and considering Statement of Grounds of Appeal and reporting to, and advising client on 23 December 2004 and 14 February 2005. £200.00.

Informing Treasury Solicitor, on 3 March 2005, that the Respondent would not be represented at the Appeal Hearing. £35.00.

Considering the transcript of the Appeal Hearing and reporting to and advising client on 29 April 2005. £175.00.

Writing to Treasury Solicitor's Office on 3 May 2005, acknowledging notification of withdrawal of Appeal by Appellant and seeking an award of costs. £35.00.

The Respondent, therefore, requests a total award of costs of £445.00.”

18. The Opponent's agents responded on 1st June 2005:

"We make the following observations:

1. In its letter of May 3, 2005, the Respondent requested an award of costs in relation to the perusal of the Appellant's Statement of Grounds of Appeal and advising the Applicant accordingly. The itemised summary contains a claim for additional matters.
2. Although the Appointed Person has the power to award costs in relation to appeals which do not proceed to a determination, we submit that it is in keeping with the low costs of this appeal route for each side to bear its own costs."

19. I do not accept that this is a case in which the Applicants should be left to bear their own costs of the appeal. It was, as I have explained above, an appeal on a point arising under Sections 32(2)(b) and 33(1) of the Act and Rules 11 and 66 of the Trade Marks Rules 2000. That would have been clearer to all concerned if the point had been (as it should have been) kept separate from the request for amendment of the Application under Section 39(2)(a). I am not persuaded that it was a point of substance. Moreover, nothing useful was achieved by pursuing and abandoning the appeal in respect of it. I can see no good reason to relieve the Opponent of responsibility for the Applicants' costs of the abandoned appeal.

20. The Opponent has not questioned the work or figures for remuneration in the Applicants' request for costs. They appear to me to be reasonable, proportionate and allowable in relation to the relevant task of monitoring the appeal. I therefore direct the Opponent to pay the Applicants £445 in respect of their costs of the abandoned appeal on or before 6th July 2005.

Geoffrey Hobbs Q.C.

15th June 2005.

Messrs. Sandiford Tennant LLP acted for the Applicants.

Messrs. HLBBshaw acted for the Opponent.

At the hearing on 14th March 2005, the Opponent was represented by Ms. Anna Edwards-Stuart of Counsel.