

O-202-20

TRADE MARKS ACT 1994

**IN THE MATTER OF A JOINT HEARING HELD IN RELATION TO
TRADE MARK REGISTRATION NO. 3395714
IN THE NAME OF JOHN GRIFFIN-PARRY**

AND

**A REQUEST FOR CANCELLATION THERETO UNDER NO. 502870
BY
RUTH MITCHELL & CIORSTAIKH MONK T/A "SOLAS SLEEPWEAR"**

BACKGROUND

1. Registration No. 3395714 is for a series of three trade marks i.e. **SOLAS**, **solas** and **Solas**. The application which became the registration was filed on 30 April 2019. On 19 July 2019, it was entered in the register for a range of goods in class 25. It stands registered in the name of John Griffin-Parry.

2. On 25 October 2019, Cloch Solicitors filed a Form TM26I on behalf of Ruth Mitchell and Ciorstaidh Monk t/a “Solas Sleepwear” (“the applicants”). The request for cancellation, which is directed against all of the goods in the registration, is based upon sections 3(6) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”).

3. On 26 November 2019, the Tribunal served the Form TM26I on Mr Griffin-Parry’s professional representatives, Virtuoso Legal Limited (“VLL”), who were advised that they had until 27 January 2020 to file a Form TM8 and counterstatement. The letter contained the following paragraphs:

“Rule 41(6) of the Trade Marks Rules 2008 require that you must file your notice of defence and counterstatement (Form TM8) within **two months** from the date of this letter.

In accordance with rule 41(6) if the TM8 and counter-statement are not filed within this period, (a period which cannot be extended), the registration of the mark shall, unless the registrar otherwise directs, be declared invalid in whole or part. **It is important to understand that if the deadline date is missed, then in almost all circumstances, the registration will be treated as invalid in whole or part.**”

4. In an email dated 3 February 2020, VLL stated:

“We write with reference to the above cancellation action. As discussed over the phone with...this morning, the Proprietor has inadvertently missed the deadline to file its TM8 Defence & Counterstatement in this Cancellation which was due on 27 January 2020...”.

5. At the same time, VLL filed a Form TM8 and counterstatement accompanied by a witness statement from Mr Lahiru Walawage, a senior solicitor at VLL explaining why the deadline was missed. Having considered VLL's explanation, in an official letter dated 12 February 2020, the Tribunal issued a preliminary view in which it (i) refused to exercise its discretion in Mr Griffin-Parry's favour, and (ii) allowed until 26 February 2020 for a hearing to be requested. On 19 February 2020, VLL requested a hearing.

Opposition no. 418600

6. On 17 June 2019, Mitchell and Monk Ltd ("MM") applied to register the trade mark shown below for goods in class 25:

SÒLAS

7. That application, which was allocated no. 3407250, was accepted and published for opposition purposes on 30 August 2019. On 20 September 2019, a Form TM7A was filed naming Mr Griffin-Parry as the person threatening to oppose the application. The effect of filing the Form TM7A was to extend for one month the period in which Mr Griffin-Parry had to file formal opposition to the application. However, as 30 November 2019 fell on a Saturday, which is an excluded day (section 80 of the Act and the associated direction refers), the period in which to oppose the application expired on Monday 2 December 2019.

8. On 2 December 2019, VLL filed a Form TM7 Notice of opposition on behalf of Mr Griffin-Parry. That opposition was based upon sections 5(1) and 5(2)(b) of the Act and relied exclusively upon the trade mark now sought to be invalidated under no. 502870. The opposition was served upon Cloch Solicitors on 4 December 2019, allowing until 4 February 2020 for a Form TM8 to be filed. On the same day, a Form TM8 was filed in defence. In a letter to VLL dated 23 December 2019, the Tribunal stated:

“The Registry has considered the nature of the claims of Opposition No. **OP000418600** and Cancellation Application No. **CA000502870**, and it is the preliminary view of the Registry that it is appropriate to consolidate these proceedings upon receipt of a valid and admissible TM8 in **CA000502870**. The Registry will direct under Rule 62(1)(g) of the Trade Marks Rules 2008 that these cases be consolidated.

As such the TM8 received in relation to Opposition No. **OP000418600** is served to the Opponent today, however these proceedings are suspended unless and until a TM8 is received and admitted in relation to Cancellation Application No. **CA000502870**. The Tribunal will then set the appropriate evidence rounds.

If you wish to challenge this preliminary view you have 7 days to request a Case Management Conference (CMC), namely by **30th December 2019...**

If a CMC is requested it must be emailed to tribunalhearings@ipo.gov.uk and will take place on at 16.00 on 29th January 2020, i.e. 2 days after the TM8 is due in CA000502870.”

9. In an official letter sent to VLL dated 23 January 2020, the Tribunal stated:

“It is noted that neither party requested a Case Management Conference (CMC) by 30 December 2019 in order to challenge the Registry’s preliminary view to consolidate Opposition no. OP000418600 and Cancellation Application no. CA000502870. As such the CMC that was provisionally booked to take place at 16.00 on 29th January 2020 will not take place.

Parties are reminded that a form TM8 and counterstatement is due to be filed in relation to CA000502870 on or before **27 January 2020**, and that upon receipt of said TM8 and counterstatement cases OP000418600 and CA000502870 will be consolidated and the appropriate evidence rounds set. OP000418600 remains suspended until this time.”

The joint hearing

10. A joint hearing took place before me, by telephone conference, on 13 March 2020. At the hearing, the proprietor was represented by Mr Michael Edenborough of Her Majesty's Counsel instructed by VLL; the applicants were represented by Mr Philip Hannay of Cloch Solicitors. As required, both parties filed skeleton arguments in advance of the hearing. The proprietor's skeleton argument was accompanied by two witness statements. The first, is from Hallam Whitehead, a trainee solicitor at VLL, and the second, from the proprietor Mr Griffin-Parry, is accompanied by ten exhibits.

DECISION

Statutory provisions

11. The filing of a Form TM8 and counterstatement in invalidation proceedings is governed by rule 41 of the Trade Marks Rules 2008 ("the rules"). The relevant parts read as follows:

"41.—(1) An application to the registrar for a declaration of invalidity under section 47 shall be filed on Form TM26(I) and shall include a statement of the grounds on which the application is made and be accompanied by a statement of truth.

...

(5) The registrar shall send a copy of Form TM26(I) and the statement of the grounds on which the application is made to the proprietor.

(6) The proprietor shall, within two months of the date on which a copy of Form TM26(I) and the statement was sent by the registrar, file a Form TM8, which shall include a counter-statement, otherwise the registrar may treat the proprietor as not opposing the application and registration of the mark shall, unless the registrar otherwise directs, be declared invalid."

12. The combined effect of rules 77(1), 77(5) and Schedule 1 of the rules means that the time limit in rule 41, which sets the period in which the defence must be filed, is non-extensible other than in the circumstances identified in rule 77(5) which states:

“A time limit listed in Schedule 1 (whether it has already expired or not) may be extended under paragraph (1) if, and only if –

(a) the irregularity or prospective irregularity is attributable, wholly or in part, to a default, omission or other error by the registrar, the Office or the International Bureau; and

(b) it appears to the registrar that the irregularity should be rectified.”

13. In his witness statement, Mr Walawage states:

“4. As a preliminary point, I must admit that this firm takes responsibility for the omission to file the TM8 Defence and Counterclaim by the deadline set by the Tribunal of 27 January 2020...”

14. As VLL accepts that the error which occurred was theirs, the only basis on which Mr Griffin-Parry may defend the application for invalidation is if I exercise in his favour the discretion afforded to me by the use of the words “*unless the registrar otherwise directs*” in rule 41(6).

Mr Walawage’s witness statement

15. Given the obvious importance of this statement the relevant parts are reproduced below in full:

“5. The Cancellation Applicant first applied to invalidate the Registered Mark on 25 October 2019. However, given the lack of particularisation of the grounds under section 3(6) of the Act (bad faith), the Tribunal did not accept the filed TM26I.

6. On 20 November 2019, the Tribunal wrote to this firm, stating *"Please note that the proposed CMC will be cancelled unless the Proprietor contests that the revised s.3(6) ground is now clear enough. The Proprietor has until 25th November to indicate that it the CMC to continue."*

7. Further to the above, there was disagreement between the parties in relation to whether Opposition number OP000418600 (the **"Opposition"**) should be consolidated with the Cancellation. The Proprietor wanted the consolidation for cost and efficiency reasons, whereas the Cancellation Applicants did not. The Tribunal then wrote to the parties on 23 December 2019 stating that it was their preliminary view that the matters should be consolidated and that if either party wanted to appeal the decision it would need to request a CMC scheduled to take place on 29 January 2020 (i.e. 2 days following the deadline for filing the TM8 in the Cancellation).

8. The result was a slight confusion on the part of this firm as to when the TM8 Defence and Counterstatement would fall due in the Cancellation (whether before or after the consolidation).

9. That being said, the Tribunal did write to this firm on 23 January 2020 stating that the consolidation is final (as no CMC was requested) and reminding the parties *"that a form TM8 and counterstatement is due to be filed in relation to CA000502870 on or before 27th January 2020.* Unfortunately, I confused this for being the deadline set for the Cancellation Applicants for their TM8 in the Opposition.

10. We realised today that this deadline was indeed for the Proprietor in the Cancellation, and immediately took steps to resolve the issue, by calling the UKIPO. We also quickly finalised the TM8 Defence and Counterstatement to be filed along with this witness statement.

11...Whilst I understand that statutory deadlines are put in place for a reason, I believe that the Proprietor should not be subject to the consequences of (1)

not being able to defend these unfounded and serious allegations, and (2) ultimately lose its Registered Mark, as a result of a clerical error by this firm.

12. In addition, there is no prejudice to the Cancellation Applicant as a result of this late filing, given the Cancellation Applicant's deadline to file its TM8 Defence and Counterstatement in the related Opposition, was due by 4 February 2020 (upon which the matters were to be consolidated).”

How should the discretion be approached?

16. In approaching how to exercise discretion in these circumstances, the Tribunal takes into account the decisions of the Appointed Person (“AP”) in *Kickz AG v Wicked Vision Limited* (BL-O-035-11) and *Mark James Holland v Mercury Wealth Management Limited* (BL-O-050-12) i.e. the Tribunal has to be satisfied that there are extenuating circumstances which justify the exercise of the discretion in Mr Griffin-Parry’s favour.

17. In *Mercury*, the AP indicated that a consideration of the following factors (shown below in bold and originally formulated by Mr Geoffrey Vos QC sitting as a deputy judge of the high court in *Music Choice Ltd’s Trade Mark* – [2006] RPC 13) is likely to be of assistance in reaching a conclusion as to whether or not discretion should be exercised in favour of a party in default. That is the approach I intend to adopt, referring to the written and oral submissions to the extent that I consider it necessary to do so.

18. However, before doing so, I shall comment briefly on the witness statements which accompanied Mr Edenborough’s skeleton argument. The first, from Mr Whitehead, adds nothing of significance to that of Mr Walawage and I need say no more about it. In his statement, Mr Griffin-Parry provides evidence of, inter alia, the preparatory steps he has taken to put his SOLAS trade mark into use which, he explains, began in November 2018. I shall return to Mr Griffin-Parry’s statement below.

The circumstances relating to the missing of the deadline including reasons why it was missed and the extent to which it was missed;

19. The due date for the filing of the Form TM8 in the invalidation proceedings was 27 January 2020 (a Monday) and the Form was received by the Tribunal on 3 February 2020 (the following Monday) i.e. a delay of four business days. The deadline was missed because Mr Walawage confused the deadline for filing a defence in the invalidation proceedings with the deadline set for the applicants to file their Form TM8 in the opposition proceedings. In his skeleton argument, Mr Edenborough stated:

“12...However, it ought to be recognised that accidents happen, and it would be unduly harsh, nay unjust even, to penalise disproportionately a person for making a simple mistake. No-one is perfect, and a proper justice system appreciates that imperfection, and while not condoning it, it does not condemn it.”

The nature of the applicants’ allegations in their statement of grounds;

20. The application is based upon sections 3(6) and 5(4)(a) of the Act, both of which require the filing of cogent evidence in support.

The consequences of treating Mr Griffin-Parry as defending or not defending the application;

21. If Mr Griffin-Parry is not allowed to defend the application, his trade mark will be invalidated and deemed to have never been made. It will also mean that his opposition to the application for registration will fall away. If, however, he is allowed to defend, the proceedings will be consolidated and, more likely than not, will be determined on the merits following the filing of evidence by both parties. The following appears in Mr Griffin-Parry’s witness statement:

“23. The repercussions of this for my business and myself personally are far-reaching. By way of example, I currently have 2133 clothing items marked

with the Brand that I would be unable to sell if the Cancellation Applicant were to prevent me from the same. I also have 15,646 bags and other clothing accessories stock marked with the Brand...In total there would be £78,017.16 worth of clothing, and accessories stock currently held.

24. Other than purchasing stock, I have also invested around £66,980 in marketing and advertising the Brand, and on the operations side of the business to date. This includes money spent on online advertising, photographic and video content for marketing purposes, and other ways of exposing the Brand to the relevant public..”

Any prejudice caused to the applicants by the delay;

22. In his skeleton argument, Mr Hannay stated:

“9. Accepting the form TM8 and counterstatement filed out of time...would not only be grossly unfair but also highly prejudicial to the Cancellation Applicant, preventing it from using its mark, or seriously undermining confidence in using its mark, at a very crucial stage its business lifecycle...”

23. I accept that if the proceedings are allowed to continue, it will delay the outcome and, inevitably, lead to increased costs and uncertainty for the applicants.

Any other relevant considerations such as the existence of related proceedings between the parties;

24. There are, of course, the related opposition proceedings in which at present Mr Griffin-Parry is relying exclusively upon the trade mark the subject of the cancellation proceedings. Although not a matter before me, in his skeleton argument, Mr Hannay stated:

“4. To hedge its bets, on 09 March 2020 the Proprietor has also requested leave of the Tribunal to amend its pleadings in the opposition proceedings to add a s. 5(4)(a) ground...”

Considerations

25. At the hearing, Mr Edenborough argued that the applicants' objection based upon section 3(6) of the Act had no prospect of success. Unsurprisingly, Mr Hannay disagreed. Both parties made submissions on the various requests they had made to each other to provide evidence of any use they may have made of their respective trade marks, with Mr Edenborough further arguing that Mr Hannay was reading too much into the undertaking provided to the applicants by Mr Griffin-Parry. Those are not, however, relevant considerations. Rather, what I must do is weigh my conclusions in relation to the various *Music Choice* criteria to determine whether or not Mr Griffin-Parry should be allowed to defend against the attack on his trade mark registration.

26. There is no default on the part of Mr Griffin-Parry, rather it is a failure on the part of his professional representatives, VLL, that have put his registration in jeopardy. It is also true that VLL were advised by the Tribunal on three occasions (i.e. 26 November, 23 December 2019 and 23 January 2020) that the relevant deadline to file a Form TM8 expired on 27 January 2020. However, as Mr Edenborough points out, it is also true that no one is perfect and mistakes, although regrettable, do occur. That is what happened here. To VLL's credit they did not wait until they received the Tribunal's letter advising them of their oversight. They noticed their error and took immediate action to correct matters. Having done so, the actual delay amounted to only four business days.

27. As I mentioned above, the application is based upon claims of bad faith (a serious allegation) and passing off; both require the filing of cogent evidence if they are to succeed. Although I accept that Mr Griffin-Parry may suffer the adverse commercial and financial consequence outlined in his witness statement if he is not allowed to defend his registration, I must also keep in mind the inevitable delay, uncertainty and increased costs the applicants are likely to suffer. Finally, there are the related opposition proceedings to be taken into account. Whilst I accept Mr Edenborough's point on proportionality insofar as the original basis of the opposition is concerned, I agree with Mr Hannay that as the cancellation action preceded the opposition, it was incumbent on Mr Griffin-Parry to make his best case from the

outset. However, it is equally clear that he has sought leave to add a ground based upon section 5(4)(a) of the Act to those proceedings which, if granted, will mean those proceedings continue regardless.

28. Having weighed all of the *Music Choice* factors, I am satisfied that, in particular, (i) the short delay which occurred in filing the Form TM8, (ii) the significant prejudice Mr Griffin-Parry is likely to suffer if he is not allowed to defend his registration, and (iii) the presence of the related opposition proceedings are, when considered together, sufficient for me to exercise the discretion in rule 41(6) in his favour. Not to do so is, as Mr Edenborough pointed out at the hearing, likely to result in a “windfall” for the applicants which, given the factual matrix I have described, is not, in my view, appropriate.

Conclusion and next steps

29. The consequence of the above conclusion is that Mr Griffin-Parry’s Form TM8 will, following scrutiny by the Casework Examiner, be admitted into the proceedings. It will then be formally served upon the applicants, the cancellation and opposition proceedings will be consolidated and a timetable will be set for the filing of evidence.

Costs

30. In his skeleton argument, Mr Edenborough stated:

“16. Moreover, the provision is widely drawn so that justice can be accommodated easily by a range of responses. For example, there might be an adverse cost award to penalise proportionately the default and the inconvenience that it has caused. This occurred in the case of *Gerry Weber International AG v Guccio Gucci SpA* [2015] RPC 9, where a clear default (performed on legal advice) was punished by indemnity costs, because otherwise a greater wrong would have happened, namely the revocation of a mark that had plainly been put to genuine use.”

31. At the hearing, Mr Hannay confirmed that if my decision was to allow the proceedings to continue, his client sought their actual costs. The applicants are, I agree, entitled to an award of actual costs occasioned by VLL's error. Although this appears to me to relate solely to the time spent on their preparation for and attendance at the hearing, the bill which must be provided by the applicants at the appropriate time (see below), should include all categories of work for which the applicants are seeking their actual costs, a request upon which Mr Griffin-Parry will, of course, have the right to comment. As both parties agreed that any costs award should be determined at the conclusion of the proceedings, no further action is required at this time.

Dated this 31st day of March 2020

C J BOWEN
For the Registrar