

O-216-19

TRADE MARKS ACT 1994

**IN THE MATTER OF A JOINT HEARING HELD IN RELATION TO
UK TRADE MARK REGISTRATION NO. 3295582
IN THE NAME OF OSKIA SKINCARE LIMITED**

AND

**THE LATE FILING OF FORM TM8
IN DEFENCE OF
AN APPLICATION FOR INVALIDATION
UNDER NO. 502250
BY RENAISSANCE HOTEL HOLDINGS, INC.**

Factual Background

1. Oskia Skincare Limited (“**the Proprietor**”) owns UK trade mark registration 3295582, for the word RENAISSANCE, which was filed 9 March 2018 and registered on 14 September 2018 in respect of goods and services in classes 3, 5 and 44 shown below.

Class 3: Cosmetics; cosmetic kits; cosmetic travel sets; toiletries; skin care preparations; serums, gels, cleansing gels, lotions, oils, moisturisers, sunscreens, body products, foams, mousses, cleansers, sprays, mists, anti-ageing creams, hand creams, body creams, skin whitening/brightening creams, and creams; face masks; beauty masks; bath preparations; bath salts; cosmetic preparations for baths; exfoliants; suntan lotions, gels, creams and oils; suntan accelerators; sunless tanning preparations; after tan cosmetics and toiletries; face and body massage creams and lotions; face and body make up cosmetics

Class 5: Dietary supplements

Class 44: Beauty salon services; beauty treatment services; aromatherapy; skin care service; massage services; beauty treatments; cosmetic treatments; counselling, advisory and information services, all relating to the aforesaid

2. Renaissance Hotel Holdings, Inc. (“**the Applicant**”) has applied for a declaration of invalidity against the registration in respect of the goods in class 3 and the services in class 44. The class 5 goods are not at issue. The Applicant brought its invalidity proceedings based on grounds under sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”).
3. The Applicant initially filed a Form 26(I) – an application for a declaration of invalidity - on 20 September 2018, but it required amendment. The Applicant filed an amended Form 26(I) on 15 October 2018, which includes a statement to the effect that the Applicant gave notice to the Proprietor on 25 July 2018¹ of its intention to initiate invalidation proceedings.
4. On 18 October 2018, the registry served the amended Form 26(I) on the Proprietor, and the accompanying official letter emphasised that if the Proprietor wished to continue with its registration, then rule 41(6) of the Trade Marks Rules 2008 (“the Rules”) required the

¹ This date corresponds with, and presumably refers to, the date on which the Applicant had, during the opposition stage of the registration, filed a notice of threatened opposition. As pointed out in the Proprietor’s skeleton argument No notice of opposition was filed within the extended opposition period.

Proprietor to file its notice of defence and counterstatement (Form TM8) within two months from the date of the letter i.e. on or before 18 December 2018.

5. No Form TM8 was filed by the stipulated 18 December 2018 deadline; instead on that date the representative for the Proprietor (Nigel Brooks CPA) filed a Form TM9C, which is a request for a cooling-off period. That Form TM9C was dated 17 December 2018 and it included a declaration to the effect that the Applicant had agreed to the request for a cooling-off period.
6. The registry responded by letter on 27 December 2018, advising to the effect that a cooling-off period is an option only in opposition proceedings, and not in invalidation proceedings; the response also referred back to the official letter of 18 October 2018 and to the consequences under rule 41(6) of a failure to file a Form TM8. In line with that rule, since no defence had been filed within the prescribed period, the parties were notified that the registry was minded to treat the Proprietor as not opposing the application for invalidation and to declare the registration invalid (in part). The letter gave the Proprietor until 10 January 2019 to challenge that position by requesting a hearing and by setting out fully in a witness statement *“why the TM8 and counterstatement are being filed outside of the prescribed period.”*
7. On 9 January 2019 the representative for the Proprietor filed the following:
 - (i) A covering letter from the representative for the Proprietor dated 9 January 2019, including the following:

“After initiation of Without Prejudice negotiations, it was anticipated that agreement for cooling-off period would be agreed to. Final agreement was not received until 17th December and Renaissance Hotels’ attorney filed the request by email. A jointly signed letter was filed. A Form TM9C was filed.

It is accepted the term “cooling off” is used in the Rules only in respect of opposition and that TM9C is not strictly applicable.

Rule 77 provides a general power to extend time periods and I request that the TM9C be regarded as an application under Rule 77 for extension of the period for filing TM8 in this matter.

In case this is not possible, Form TM9 is filed herewith.

Further, in case the above mechanism cannot be accepted, and in accordance with the letter of 27 December, TM8 is filed herewith. A witness statement proving the existence of the Without Prejudice negotiations is also filed herewith.

Further I request a stay of the proceedings and hearing should you not be able to allow the matter to be stayed at this stage.

I understand from conversations with the Tribunal Section that this will allow the case to be stayed.”

- (ii) A Form TM8 dated 9 January 2019, giving notice of defence, requesting proof of use of the earlier marks relied on by the Applicant, and making a counterstatement (dated 17 December 2018) denying all grounds for invalidity.
 - (iii) A Form TM9 (being a request for an extension of time before the period has expired) dated 9 January 2019, seeking 6 months more time in order “to continue Without Prejudice negotiations with the other party”.
 - (iv) A statement of facts under a statement of truth, dated 9 January 2019 and signed by Nigel Brooks, confirming that the parties entered into Without Prejudice negotiations on 11 September 2018, which continued into December 2018.
8. The registry responded by letter on 15 January 2019, repeating the registrar’s preliminary view previously indicated, that the Form TM8 filed could not be admitted into the proceedings as it was received outside the non-extendable period prescribed in the Rules. The letter also explained that rule 77 (which deals with alterations of time limits) could not assist, since the period for filing a defence in invalidity proceedings is not ‘a flexible period’ as defined in that rule² and no irregularity³ on the part of the registrar had been identified. The letter explained that the discretion available to the registrar when deciding whether to accept a late filed TM8 is narrow and that there must be “extenuating circumstances” and/or “compelling reasons” sufficient to warrant the exercise of such discretion. The letter refused the request to admit the late filed TM8, but confirmed that a hearing to challenge the matter would be arranged by the Hearings Clerk.
9. The registry duly set a hearing date, but both parties wrote jointly to request its postponement “given the ongoing without prejudice negotiations ... thus providing more time for the parties to reach an amicable decision ...”. The parties wrote jointly a second time in similar terms, seeking a second postponement and also noting that a hospital procedure meant that the Proprietor’s representative would be unavailable for the scheduled hearing date. The hearing was therefore further re-arranged.

The Hearing

10. The took place before me by telephone conference on 12 April 2019. The Applicant chose not to attend the hearing, but its representative instead filed written submissions. The

² Rule 77(6)

³ See rule 77(5)

Applicant's submissions were in muted terms, and referred to the need to "consider whether there are relevant extenuating circumstances or compelling reasons sufficient to warrant the exercise of the registrar's discretion to admit the form TM8", and that "unfortunately, the failure to file the form TM8 appears to have been a mistake on the part of the registrant's representative" and that it would be consistent with the registrar's approach in previous instances for the request to have the Form TM8 admitted after the non-extendable deadline to be refused. Nigel Brooks attended the hearing on behalf of the Registered Proprietor, having duly filed a skeleton argument in advance. Mr Brooks spoke to the points in his skeleton argument and to supplemental written points that he had filed just ahead of the hearing. I take account of all points made by the parties and shall refer to them to the extent that I find them relevant to my decision.

The statutory framework

11. The relevant provisions of the Rules are as follows:
12. **Rule 41** concerns the filing of applications for invalidation (Form TM26(I)) and counter-statement (Form TM8). **Rule 41(6)** provides:

"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."

13. **Rule 77(5)** 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."

14. Rule 41(6) (counter-statement for invalidity) is included in Schedule 1 to the Rules.

15. There are therefore two bases on which an extension of time for filing a TM8 may be granted:

- Under rule 77(5); and/or
- Under the general discretion provided by the words “*unless the registrar otherwise directs*” in rule 41(6)

16. In this instance the parties agree that there has been no irregularity in procedure; accordingly, I need not consider rule 77(5). The only basis in this case on which I may allow the Proprietor to defend the cancellation proceedings is provided by the discretion inherent in rule 41(6). In assessing whether or not to exercise the discretion as to whether or not to treat the proprietor as not opposing the application, I take account of leading case law in this area.

Case law

17. Sitting as the Appointed Person in *Kickz AG and Wicked Vision Limited* (BL-O-035-11) (*‘Kix’*) Geoffrey Hobbs QC held that the discretion conferred by rule 18(2) – which sets out the consequences in opposition proceedings of a failure to file a Form TM8 or counterstatement within the relevant period - can be exercised only if there are “*extenuating circumstances*”. *Kix* was a case in which the applicant had failed to file the TM8 in time because the person responsible for dealing with the matter within its organisation had not been passed the official letter from the IPO enclosing the Form TM7 notice of opposition.

18. In another opposition case, Amanda Michaels QC sitting as the Appointed Person in *Mark James Holland and Mercury Wealth Management Limited* (BL-O-050-12) (*‘Mercury’*) held that there must be “*compelling reasons*” to justify exercising that discretion by the registrar. In considering relevant factors to the exercised of the discretion, the Appointed Person in *Mercury* referred to the criteria (below) offered by Geoffrey Vos QC sitting as a Deputy High Court Judge (as he then was) in *Music Choice Ltd’s Trade Mark* [2006] R.P.C. 13 (*‘Music Choice’*). As with the current decision, *Music Choice* concerned a late filed defence in invalidation proceedings, although it is noted that the discretion at issue in

Music Choice arose under the Trade Mark Rules 2000⁴. In *Music Choice*, the judge concluded as follows:

“65. Having decided that there is a general discretion in the registrar, it would be inappropriate to set out factors which would circumscribe the exercise of that discretion. Plainly, however, the discretion must be exercised on the premise that the time limit in r.33(6) is inextensible, and that there must be compelling reasons for the proprietor to be treated as opposing the application, notwithstanding his failure to comply with an inextensible time limit.

...

67. The factors that are, in my judgment, relevant to the exercise of the discretion in this case include:

- (1) The circumstances relating to the missing of the deadline including reasons why it was missed and the extent to which it was missed.
- (2) The nature of the applicant's allegations in its statement of grounds.
- (3) The consequences of treating the proprietor as opposing or not opposing the application.
- (4) Any prejudice caused to the applicant by the delay.
- (5) Any other relevant considerations, such as the existence of related proceedings between the same parties.”

19. The recent *Halloumi* case⁵ in the High Court also arose from invalidation proceedings, although the circumstances of that case were that there had been repeated failures to give any timely response to the correspondence from the Registry, such that matters had progressed beyond a preliminary view to final decision stage and the registration had been cancelled. In the *Halloumi* case, Arnold J stated as follows:

35. Counsel for the Registrar pointed out that, since *Music Choice* was decided, the Rules have changed in at least two material respects, namely the introduction of rules 43 and 77(5). In my judgment the introduction of these rules confirms that the Registrar, and the Court or Appointed Person on appeal, should be insistent upon the presence of compelling reasons for the trade mark proprietor to be treated as opposing the application, notwithstanding its failure to comply with an inextensible time limit. I am not persuaded that it justifies the adoption of any more restrictive approach than that.

⁴ Under the Trade Mark Rules 2000, rule 33(3) reads “Where a notice and counter-statement are not filed by the proprietor within the period prescribed by paragraph (2), the registrar may treat his opposition to the application as having been withdrawn”; and its rule 33(6) reads: “If the applicant files evidence under paragraph (4) above or the registrar otherwise directs under paragraph (5) above, the proprietor who has filed a notice and counter-statement under paragraph (2) above may, within six weeks of the date on which either a copy of the evidence or a copy of the direction is sent to him, file such evidence as he may consider necessary to adduce in support of the reasons stated in the counter-statement and shall send a copy thereof to the applicant.”

⁵ Permanent Secretary, Ministry Of Energy, Commerce And Tourism, Republic Of Cyprus and John & Pascalis Limited Case No: CH-2018-000140 - [2018] EWHC 3226 (Ch)

20. I therefore apply those criteria and principles to present factual circumstances:

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

21. The deadline for filing the Form TM8 was 18 December 2018; it was not filed until 9 January 2019 - just over three weeks late. I also note Mr Brooks's submission at the hearing that the matter was attended to promptly on his staff's return to work after the Christmas break.

22. The deadline was missed in this instance because of an error on behalf of the Proprietor. It had been the intention of both parties to seek to interrupt the progress of proceedings in order that they might achieve an amicable settlement by negotiation. Had a Form TM8 been filed together with a written request wherein the parties sought a stay of the proceedings, the additional time sought might readily have been secured. In the event, no Form TM8 was filed, but instead a Form TM9C was filed. Whereas opposition proceedings allow for the timely submission of a Form TM9C (request for a cooling-off period) as an alternative to the submission of a Form TM8, no such option is available in cancellation proceedings. The filing of the TM9C was therefore an error in process.

23. Submissions at the hearing pointed out that trade mark oppositions are proceedings that arise far more frequently than invalidation proceedings, that in both types of proceedings the Form TM8 is identical, the timescales are identical and the official letters are in comparable terms. It was in that context that the representatives overlooked the process difference between the types of proceedings.

The nature of the applicant's allegations in its statement of grounds

24. The grounds for seeking invalidation arise under sections 5(2)(b), 5(3) and 5(4)(a) of the Act. The Proprietor submits that this criterion "touches on the presumption of validity" under section 72 of the Act and that it would be wrong to allow a declaration of invalidity "in the absence of anything to substantiate [the] broad brush allegations." I do not consider this a strong point, for two reasons: this is in part because although section 72 provides that registration is prima facie evidence of validity for the purpose of legal proceedings, clearly the Act and the Rules also provide bases and processes to declare a mark invalid,

as well as the means to resist such a challenge; and secondly, whilst I do not pre-judge the substance of the allegations, I do note the following. The Applicant is a hotel company and relies for its section 5(2)(b) claims on, intra alia, its earlier UK trade mark registration No. 3269688 for the identical word “RENAISSANCE”, filed on 10 November 2017 (and thus not subject to proof of use) for services in class 44 which include⁶, intra alia, “beauty salon services”, which identical term appears in the Proprietor’s specification. Therefore at least in those limited points of identity the allegations would not require substantiation.

25. However, I recognise that the Applicant also relies on other marks that are subject to the proof of use provisions. For its section 5(4)(a) claim, it relies on claimed unregistered rights in the word sign “RENAISSANCE” arising from its claimed use since 1994 in relation to “the provision of hotel services, spa services and related goods and services.” The Applicant would therefore need to establish its claimed grounds on the basis of evidence.
26. For its part, the Proprietor submitted that Oskia is a UK company specialising in high end skincare products containing bio-active ingredients. It submits that it has been actively trading since 2009, with the first Renaissance product being launched at the same time.
27. Notwithstanding that the marks/signs at issue appear identical, and that there is seemingly some identity in the specifications, I note that the parties have appeared to favour a negotiated resolution and that there may be ‘broader brush’ aspects to the allegations.

The consequences of treating the proprietor as opposing or not opposing the application

28. If the Form TM8 is not admitted, the Proprietor will lose its registration. Its registration is not one of long-standing, although I note the Proprietor’s claim to have used the sign since 2009. Were the Proprietor to refile a fresh application for the same trade mark, such an application would be allocated a later filing date and would therefore be subject to a different relevant date for the purposes of the assessment of any opposition that may arise. This is no more than the normal consequence of a failure to meet the clearly communicated deadline set out under the Rules. Moreover, the various earlier rights

⁶ The Applicant’s full specification under that mark is “Spa services, namely, providing facial, hair, skin and body treatments, manicure and pedicure services, massage services, body waxing services and beauty salon services.”

relied on by the Applicant in this case already appear to predate the filing date of the Proprietor's registration.

Any prejudice caused to the applicant by the delay

29. The Proprietor argued that since the 'cooling-off period' had been agreed by the Applicant no prejudice is caused to the Applicant by the delay. I note that the Form TM8 was filed around three weeks late and that it appears to have been the intention of both parties that as from the deadline date there was to have been a period of three months in which to pursue a negotiated agreement. In that regard, I agree that there has been no prejudice caused to the Applicant by the delay.

30. I also note that through jointly requested postponements of the hearing to challenge to registry's preliminary view not to admit the late filed Form TM8, the parties have de facto gained extra time in which to pursue a settlement. However, the Proprietor has submitted that negotiations stalled in light of the prospect of the joint hearing and the preliminary view and thus the anticipated negotiation period that might have been secured by a stay request has been compromised.

Any other relevant considerations / related proceedings

31. It appears that the Applicant had foreshadowed its challenge to the Proprietor's registration by filing a notice of threatened opposition during the opposition stage; it also appears that the parties have been mutually engaged in without prejudice discussions to achieve an amicable settlement. However, I consider neither of those points to be related proceedings as envisaged in *Music Choice*.

Decision

32. Where a Form TM8 has been filed late, the discretion available to the registrar is narrow, and one that has routinely been withheld in circumstances where the party may reasonably be considered "the author of its own misfortune"⁷. I note the difference in wording between the consequences of late filing a Form TM8 as they relate to oppositions in contrast to cancellation proceedings: the provisions of rule 18(2), concerning

⁷ Including, for example, in *C3 Inc's Trade Mark (O/394/18)*, where the circumstances were very close to those in the present case.

oppositions, appear more unequivocally directive in that “the application for registration ... shall, *unless the registrar otherwise directs*, be treated as abandoned” (my emphasis), whereas the rule 41(6) includes the intervening phrase that “the registrar may treat the proprietor as not opposing the application” (for invalidation) before continuing “and registration of the mark *shall, unless the registrar otherwise directs*, be declared invalid” (again, my emphasis).

33. I bear in mind Arnold J’s confirmation in *Halloumi* that the correct approach is “no more restrictive” than to insist on there being compelling reasons for the trade mark proprietor to be treated as opposing the application. The Proprietor submits that it had no intention to allow the application to go unopposed and that had it been content to have its registration declared invalid, it would not have sought the cooling-off period. The Proprietor submits that justice would not be served by allowing the Applicant “to prevail over the Proprietor in circumstances where the former clearly believed that cooling off practice applied and was not expecting to prevail in agreeing a cooling-off period.”

34. I consider the circumstances in this case at the limits of what may be sufficient to warrant the exercise of the discretion, but I nonetheless find there to be compelling reasons to treat the trade mark proprietor as opposing the application. The filing of the Form TM9C by the deadline date for the Form TM8 was clearly an error in formality, but it tends to be consistent with the Proprietor as opposing the application for invalidation; the Proprietor has given some detail with regard to the early initiation of the discussion between the parties; while a “cooling-off period” is terminology applicable only in opposition proceedings, effectively the same position might have been readily secured by filing the required Form TM8 simultaneously with a stay request. I also bear in mind that the misapprehension in this case is one that appears to have been shared by the parties’ representatives and that when the error was highlighted, the Proprietor filed its Form TM8 promptly and that the delay caused no apparent prejudice to Applicant.

Conclusion

35. I overturn the registry’s preliminary view and instead treat the proprietor as opposing the application, exercising the discretion available within the wording of rule 41(6) and **admitting the defence** into proceedings. The parties have sought time in which to negotiate an amicable agreement, but that period appears to have been disrupted and

compromised by the impending prospect of this hearing. In light of this decision, **I allow the parties a stay in proceedings until Friday 31 May 2019**. Unless the parties contact the registry by that date, the proceedings will resume and the caseworker will notify parties of the periods for the evidence rounds.

Costs

36. No issues of costs arise.

Dated 26th April 2019

Matthew Williams

For the registrar
