

O-282-16

TRADE MARKS ACT 1994

IN THE MATTER OF A JOINT HEARING IN RELATION TO

APPLICATION NO. 3089662

BY MATTHIAS BERTRAM BAUR

TO REGISTER THE MARK:



AND OPPOSITION NO. 404431 THERETO BY WORLD GOURMET CLUB

BACKGROUND

1. On 15 January 2015 Matthias Bertram Baur (the applicant) applied to register the mark shown on the cover page of this decision for services in classes 41 and 43. The application was published for opposition purposes on 27 February 2015.
2. On 27 May 2015, CJ Jones Solicitors LLP filed a form TM7 (Notice of Opposition) on behalf of its client World Gourmet Club (the opponent). The opposition was based upon Section 5(2)(b) of the Trade Marks Act 1994 (the Act) and was directed against all of the services in the application. An amended form TM7 was filed on 15 June 2015.
3. On 22 June 2015 the Tribunal served a copy of the amended form TM7 on the applicant. The accompanying letter advised that a period expiring on 24 August 2015 was allowed for the applicant to file a form TM8 and counterstatement if it wished to continue with the application, or for either party to file a form TM9C to request to enter a cooling-off period.
4. On 3 August 2015, Joanne Frears of Jeffrey Green Russell Limited (Jeffrey Green Russell), acting for the applicant, filed a form TM9C requesting to enter a cooling-off period. On 21 August 2015 the Tribunal contacted Ms Frears to inform her that the form TM9C would be processed as soon as a form TM33 was filed to confirm the appointment of Jeffrey Green Russell as the applicant's representative. Ms Frears replied on the same day. She indicated that as she was away from the office she had asked her colleague to submit the form in her absence. The form TM33 was filed on 25 August 2015 and gave the e-mail address for correspondence as ipgroup@jgrlaw.co.uk. This was recorded by the Tribunal on 28 August 2015.
5. By way of a letter dated 1 September 2015, sent by email to ipgroup@jgrlaw.co.uk, the Tribunal advised Jeffrey Green Russell that the request had been granted and that the cooling-off period would expire on 22 March 2016. The letter contained the following paragraphs:

“The Registrar, may on request, extend the cooling off period for a further nine months where such request is filed on TM9e and with the agreement of both parties. Please note that the TM9e should be received on or before **22nd March 2016**.

If no such request is made, the TM8 and counter-statement should be filed on or before **22nd March 2016** or the application shall, unless the Registrar otherwise directs, be treated as abandoned in whole or part, in accordance with Rule 18(2) of the Trade Marks Rules 2008.”
6. On 9 October 2015, Ms Frears filed a second form TM33 notifying the Tribunal that Blandy & Blandy LLP (Blandy & Blandy) had been appointed by the applicant as his new representative. The form gave the email address for correspondence as joanne.fears@blandy.co.uk. The new representative was recorded on 15 October 2015.

7. By way of letter dated 21 October 2015 the Tribunal wrote to Blandy & Blandy confirming the details of the opponent's representative. The letter, which was sent by email to joanne.frears@blandy.co.uk, contained the following paragraph:

"I would remind the parties that the next deadline in the above proceedings is **22 March 2016** for the applicant to file its TM8 and counterstatement or a form TM9E to extend the cooling-off period."

8. Nothing further was received from either party within the relevant period. Consequently, in a letter dated 30 March 2016 the Tribunal advised Blandy & Blandy that no form TM8 and counter-statement had been filed within the period allowed (as originally set out in the letter of 1 September 2015), and it was minded to deem the application as abandoned under the provision of Rule 18(2) of the Trade Marks Rules 2008 (the Rules). The letter allowed until 13 April 2016 for Blandy & Blandy to respond.

9. By way of email of 31 March 2016, Ms Frears responded in the following terms:

"..it was our understanding that the cooling off period agreed with the Opponent (around September 2015 and before this firm was instructed) expired on 22nd thus we were anticipating further directions along with the Opponent's evidence.

It is my clients (sic) intention to defend and I had understood that a TM8 was filed by the previous agents (although I do not have access to their records which were filed electronically). To ensure that this is the case we will file a notice of defence as soon as possible...."

10. On 5 April 2016 the Tribunal wrote to Ms Frears explaining that, as the form TM8 had not been filed within the period allowed, in order to consider admitting it, it would be necessary for it to be filed along with a witness statement explaining the reasons why it was not received by the due date.

11. On 8 April 2016 Ms Frears filed a form TM8 and provided a witness statement explaining the circumstances which led to the deadline being missed. An amended witness statement was re-submitted on 15 April 2016. Ms Frears stated:

- i. "In August 2015, [the applicant] instructed me at my previous firm Jeffrey Green Russell Limited Solicitors to act for him on this matter. Prior to that date, [the applicant] had instructed Messrs Kilburn and Strode to act for him, but no papers were transferred to me from them. At the time the opposition were filed, Messrs Kilburn Strode had conduct of the file. When I was instructed I made a reasonable assumption that either Kilburn & Strode had already filed a TM8 when it had conduct of the file (though no papers were transferred by them to me) or that I would have an opportunity to file one subsequently" (paragraph 2);
- ii. "In August 2015 I applied for and was granted a cooling-off period in respect of this application and opposition" (paragraph 3);

- iii. Ms Frears has no recollection of receiving the Tribunal's letter of 1 September 2015 (paragraph 4);
- iv. In September 2015 Ms Frears left Jeffrey Green Russell and joined Blandy & Blandy in October 2015; the applicant also moved his instructions to Blandy & Blandy (paragraph 5);
- v. No papers were transferred from Jeffrey Green Russell to Blandy & Blandy, as at the time when Ms Frears moved Jeffrey Green Russell was in the process of liquidation and she was not permitted to remove any documentation. Ms Frears has since been provided with a disc containing all electronic communications relating to files transferred from Jeffrey Green Russell to Blandy & Blandy including emails relating to the applicant's file but this material is not catalogued in any helpful manner making the task of retrieving emails very difficult. Whilst Ms Frears has no recollection of receiving the letter of 1 September 2015, she accepts that "it may be possible that [...] [it] was sent to Jeffrey Green Russell" (paragraph 6);
- vi. Following the expiry of the cooling-off period, Ms Frears expected to be invited to submit a defence and counterstatement (paragraph 8);
- vii. The applicant has instructed Ms Frears in relation to another opposition filed against his application. Ms Frears is in the process of finalising a co-existence agreement with the opponent's representatives and she believes that this arrangement would be prejudiced if the application was deemed abandoned (paragraph 9).

12. In a letter dated 22 April 2016 the Tribunal advised Ms Frears that its preliminary view was that the form TM8 would not be admitted out of time because the reasons given were not sufficient to justify the exercise of discretion in the applicant's favour; a period expiring on 6 May 2016 was allowed for the applicant to challenge this preliminary view by requesting a hearing. The Tribunal also enclosed a copy of the official letter dated 21 October 2015 (which reminded the parties of the deadline of 22 March 2016), pointing out that this letter was issued after Ms Frears' appointment as the applicant's address for service.

13. On 6 May 2016 Ms Frears requested a hearing. In relation to the letter of 21 October 2015, she stated:

"...I note the email that you copied me dated 21st October, which was quarantined as 'junk' but which I have now retrieved."

The Hearing

14. A hearing took place before me on 31 May 2016. Ms Frears of Blandy & Blandy represented the applicant and Mr Peter Groves of CJ Jones Solicitors LLP represented the opponent.

Skeleton Arguments and submissions at the hearing

15. On 26 May 2016 I received skeleton arguments from Blandy & Blandy. The main grounds relied upon were:

- i. The failure to file the form TM8 was due to the representative changing firms and not receiving the correspondence sent by the Tribunal during this period;
- ii. On 7 March 2016 a TM9E was filed to request an extension of the cooling-off period in relation to a different opposition (No 404400) against the same application. This is evidence of intention to continue with the application;
- iii. Deemed abandonment of the application would prejudice the ongoing discussions between the applicant and the opponent in opposition No 404400 and expose the applicant to a claim for trade mark infringement;
- iv. The applicant does not intend to file any evidence to defend his application so there will be no prejudice to the opponent.

16. These points were reiterated orally by Ms Frears at the hearing. Mr Groves submitted that very little weight should be attributed to the applicant's negotiations and that no discretion should be exercised in favour of the applicant.

17. Having considered Ms Frears' submissions at the hearing, I pointed out that it was clear from her account (and from her email of 31 March 2016) that before the cooling-off period expired, she was aware that her request had been granted and that the cooling-off period expired on 22 March 2016. This, I explained, suggests that the letter of 1 September 2015 (which granted her request and set out the deadline of 22 March 2016) must have been received. Ms Frears accepted that whilst her recollection is that she did not receive that letter, the letter must have been received since the date of 22 March 2016 was entered in her diary.

DECISION

18. Rule 18 of the Rules provides:

- (1) The applicant shall, within the relevant period, file a Form TM8, which shall include a counter-statement.
- (2) Where the applicant fails to file a Form TM8 or counter-statement within the relevant period, the application for registration, insofar as it relates to the goods and services in respect of which the opposition is directed, shall, unless the registrar otherwise directs, be treated as abandoned.
- (3) Unless either paragraph (4), (5) or (6) applies, the relevant period shall begin on the notification date and end two months after that date.

19. Paragraph (4) applies where the parties to the opposition have agreed a cooling-off period, as in the present case:

- (4) This paragraph applies where—

- (a) the applicant and the person opposing the registration agree to an extension of time for the filing of Form TM8;
- (b) within the period of two months beginning on the notification date, either party files Form TM9c requesting an extension of time for the filing of Form TM8; and
- (c) during the period beginning on the date Form TM9c was filed and ending nine months after the notification date, no notice to continue on Form TM9t is filed by the person opposing the registration and no request for a further extension of time for the filing of Form TM8 is filed on Form TM9e,

and where this paragraph applies the relevant period shall begin on the notification date and end nine months after that date.

20. The combined effect of Rules 77(1), 77(5) and Schedule 1 of the Rules means that the time limit in Rule 18, which sets the period in which the defence must be filed, is not extendable other than in the circumstances identified in rules 77(5)(a) and (b) 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.”

21. Ms Frears accepted that prior to the due date for filing a TM9E or the TM8 she was aware of the deadline of 22 March 2016 and it was in her diary. Thus, I reject point (i) of the skeleton arguments. As there is no irregularity to be rectified, the failure to submit the form TM8 being due to an oversight on the part of the applicant’s representative, Rule 77(5) does not apply and the only relevant consideration in this matter is whether the discretion conferred by the wording of Rule 18(2) should be exercised.

22. In *Kickz AG and Wicked Vision Limited*, BL-O-035-11, Mr Hobbs QC sitting as the Appointed Person held that the discretion conferred by Rule 18(2) is narrow and can be exercised only if there are *extenuating circumstances*. In *Mark James Holland and Mercury Wealth Management Limited*, BL-O-050-12, Ms Amanda Michaels, sitting as the Appointed Person, in considering the factors the Registrar should take into account in exercising the discretion under Rule 18(2), held that there must be *compelling reasons*. She also referred to the criteria established in *Music Choice Ltd’s Trade Mark* [2006] R.P.C. 13, which provides guidance applicable by analogy when exercising the discretion under Rule 18(2). Such factors are:

- (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.

23. Insofar as the circumstances relating to the missing of the deadline are concerned whilst the changes in the applicant's representative and the inability to retrieve emails sent to Jeffery Green Russell (including the one notifying the letter of 1 September 2015) might have contributed, to some extent, to the initial oversight, the unintended consequences of that oversight could have been easily avoided had Ms Frears taken steps to clarify whether the TM8 had been filed or not. Ms Frears' explanation was that she assumed that either Kilburn & Strode had already filed a form TM8 when it had conduct of the file or that she would have an opportunity to file one subsequently (paragraph 1 of her witness statement). She also submitted that following the expiry of the cooling-off period she "expected to be invited to submit a defence and counterstatement" (paragraph 7 of her witness statement), which is inconsistent with her statement that she "had understood that a TM8 was filed by the previous agents" (email of 31 March 2016).

24. In view of the explanations offered, it is clear that there was some confusion concerning the filing of the form TM8 and I conclude that the failure to file the form TM8 within the relevant period was the result of a mistaken assumption and because of Ms Frears' decision not to ascertain herself if the form TM8 had been filed. This does not justify the disapplication of the Rules¹ and cannot be regarded as a compelling reason to permit the filing of a late defence.

25. In relation to issue raised in point (ii) of the skeleton arguments, I bear in mind that in *BOSCO*, BL - O-399-15, Mr Hobbs, sitting as the Appointed Person, in dealing with a similar argument, stated:

12. The Registrar was criticised for failing to infer from the fact that the Proprietor was concerned to contest Opposition No. 401660 to his Application No. 3025218 for registration of the trade mark BOSCO in Classes 7 and 8 that he was likewise concerned to contest the application for invalidity brought by the Applicant in relation to his Trade Mark No. 2524239 BOSCO registered in Classes 11 and 21 [...]

.....

13. I can see no substance in any of these criticisms. The Registrar was not required to conduct an investigation into the Proprietor's attitude or approach to the opposition proceedings relating to his application to register the trade mark BOSCO in order to try and work out what his subjective intentions might or might not be with regard to the present application for invalidity of his registered trade mark BOSCO. The Proprietor was placed by statute in much the same position as if he had written to the Registrar saying: 'I have not filed a Form TM8 and counter-statement under Rule 41(6) because I am not

¹ See by analogy decision BL- O-399-15

opposing the application for invalidity made in the Form TM26(I) sent to me under Rule 41(5)'. Consistently with that being the position, it was open to the Registrar to treat the presumption of validity in Section 72 of the Act as inapplicable to the case at hand and allow the apparently unopposed application for invalidity to succeed without making any independent determination of his own to the effect that the application should be regarded as well-founded.”

26. In my view, these comments address Ms Frears’ submissions. Opposition No. 404400 is a separate opposition involving a different opponent and the Registrar cannot be asked to draw inferences from the conduct of the applicant in different opposition proceedings for the registration of the same mark. What I must consider is whether the facts of the case are sufficiently compelling to permit the late filing of a defence. In this case they are not. Thus, I reject this argument.

27. Insofar as point (iii) and (iv) of the skeleton arguments are concerned, they are not, in my view, sufficient to counterbalance the lack of any compelling reasons for the applicant to be treated as defending the opposition². It will always be the case that where a party to proceedings fails to file a defence resulting in an adverse decision from the Tribunal, the consequence will be the loss of some or all of the subject application/registration. This is not a sufficient reason in and of itself for a finding in the applicant’s favour, rather, it is a possible consequence and is one of the factors to be considered.

CONCLUSION

28. For the reasons given above, I conclude that, in the words of Mr Hobbs in *Kix*, that in this case there has been failure to exercise the minimal degree of vigilance required in dealing with the application. Consequently, the application is deemed abandoned in respect of all of the services specified in the notice of opposition. Since this is a total opposition the application, subject to a successful appeal, will be deemed abandoned.

Costs

29. As my decision concludes the proceedings, I will now consider the matter of costs. Awards of costs are dealt with in Tribunal Practice Notice (TPN) 4 of 2007. Bearing the guidance in that TPN in mind, and the conclusions I have reached above, I award costs to the opponent on the following basis:

| | |
|--|--------------|
| Official fees: | £100 |
| Preparing a notice of opposition: | £ 200 |
| Preparing for and attendance at the joint hearing: | £ 300 |
| Total: | £ 600 |

² See *Mercury* paragraph 35 point (v)

30. I order Matthias Bertram Baur to pay World Gourmet Club the sum of £ 600 as a contribution towards its costs. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case, if any appeal against this decision is unsuccessful.

Dated this 10th day of June 2016

**Teresa Perks
For the Registrar
The Comptroller - General**