

O-317-08

TRADE MARKS ACT 1994

**IN THE MATTER OF A REQUEST BY ARBRE GROUP LLC
FOR AN EXTENSION OF TIME IN WHICH TO APPEAL THE
REGISTRAR'S DECISION ON OPPOSITION NUMBER 94795
(BL O-195-08), AND THE REGISTRAR'S DECISION TO REFUSE
THE REQUEST**

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Background

1. On 28 September 2005, Arbre Group LLC ("the applicant") applied to register trade mark application number 2403678 consisting of the stylised words "WORN FREE", in respect of the following goods:

Class 25 Articles of clothing for men and women including T-shirts, polo shirts, tank tops, vest, camisoles, jumpers, hoodies, tracksuit tops, shirts, underwear, socks, wristbands, headgear, headbands, baseball caps, woolly hats.

2. The mark was accepted for registration and subsequently published in Trade Marks Journal Number 6647 on 25 August 2006.

3. On 24 November 2006, Saunders & Dolleymore acting on behalf of Worn By (Original Icon Clothing) LLP ("the opponent") filed a notice of opposition citing section 3(6) and section 5(4)(a) of the Trade Marks Act 1994 ("the Act")

4. Following the submission of argument and evidence, both parties attended a hearing on 26 June 2008. A written decision dated 7 July 2008 was then issued, in which the hearing officer directed that the application should be refused in its entirety by virtue of section 3(6) and section 5(4)(a) of the Act. This decision was sent to both parties on 7 July 2008 using the Royal Mail's recorded delivery service, and was accompanied by a covering letter setting out all relevant information relating to the

appeal procedure. Both parties were given the statutory 28 day period in which to appeal as set out in Rule 63(1A) of the Trade Marks Rules 2000. In this case, the last date for submitting an appeal was set as 4 August 2008.

5. In a letter to the Registrar dated 30 July 2008, the applicant indicated that it was considering an appeal against the decision, and requested an official transcript of the hearing.

6. The Registrar duly provided the applicant with a transcript on 31 July 2008.

7. On 4 August 2008, the applicant submitted a form TM9 requesting a one-month extension to the appeal period. The covering letter which accompanied the form TM9 contained the following text:

"The applicant is intending to appeal the decision, but we are still in the process of reviewing the transcript of the original hearing, prior to preparing our grounds for appeal. We would request that a short extension of time is permitted so as to enable the statement of grounds to be accurately prepared and submitted."

8. In its letter of 6 August 2008, the Registrar presented its preliminary view to refuse the applicant's request for additional time on the grounds that insufficient reasoning had been provided. Both parties were given until 20 August 2008 to make submissions in response to this preliminary view.

9. The applicant responded by way of a letter dated 8 August 2008, in which it provided some further details relating to its request to extend the appeal period. In this correspondence, the applicant indicated that it had received the hearing officer's decision on 31 July 2008 i.e. only three days prior to expiry of the appeal period. It emphasised the investment in terms of time and effort that would be required in order to draft and submit an appeal and related statement of grounds, claiming that three days was insufficient time to undertake all necessary action. The applicant also requested an interlocutory hearing in the event that the preliminary view to refuse the request was maintained.

10. The Registrar issued a response on 11 August 2008, in which it confirmed the preliminary view and set a date for the interlocutory hearing.

11. This hearing took place before me on 18 September 2008. At the hearing, which took place via a conference telephone link, Mr Bruce Marsh of Wilson Gunn represented the applicant, and Ms Philippa Eke of Saunders & Dolleymore represented the opponent.

The Hearing and Submissions

12. Prior to the hearing, I received skeleton arguments in writing from both Mr Marsh and Ms Eke. These were then expanded upon and added to at the telephone hearing. The main points arising from both parties' submissions are as follows:

The Applicant's submissions:

- The hearing officer's final decision, dated 7 July 2008, had not been received until 31 July 2008 i.e. only four days prior to expiry of the period granted for submitting an appeal.
- The hearing officer's decision contained a number of errors and assumptions, and required a significant investment of time in order to review the decision and prepare a suitable appeal statement.
- The applicant's placement in California created significant logistical difficulties due to distance and time zones. Mr Marsh emphasised that both the applicant's location and its type of business created communication delays.
- The applicant's reasons for requesting the additional time outweighed any potential harm caused to other parties and/or the public as a result of further delay (pursuant to guidance set out in the UK Intellectual Property Office's Tribunal Practice Notice ("TPN") 3/2000).

- The applicant had clearly expressed its intent to appeal the hearing officer's decision in its letter of 4 August 2008.
- The opponent had not submitted any formal objection to the applicant's request for an extension to the appeal period.
- The Registrar should have provided clearer and more persuasive reasoning for its preliminary view to the refuse the request for additional time.
- The Registrar should take account of the fact that the 28 day period allowed for submitting an appeal is significantly shorter than the two and three month periods granted in other stages of an opposition proceeding.

The Opponent's submissions:

- The opponent had not received a copy of the applicant's request to extend the appeal period for filing an appeal. Its first notice of the applicant's request came about through a faxed copy of the Registrar's response to the applicant dated 6 August 2008. The opponent submitted that the applicant had thereby failed to follow practice set out in Tribunal Practice Notice 3/2000.
- The opponent also claims that it did not receive a copy of the applicant's letter dated 8 August 2008 until one was forwarded by the Registrar on request.
- The opponent notes that the applicant waited until four days prior to the expiry of the appeal period before requesting a transcript.
- The opponent will be harmed by further delays to these opposition proceedings due to its desire to commence additional infringement

proceedings based upon one of its Community Trade Marks as quickly as possible. The opponent will also suffer from damage caused by any continued use of the applicant's mark within the UK.

- The opponent's failure to provide any response to the applicant's request to extend the appeal period resulted from the applicant's failure to provide copies of its submissions to the Registrar. Nevertheless, the opponent fully agrees with the Registrar's decision to refuse the applicant's request to extend the appeal period.

13. At the hearing I informed both parties of my decision to maintain to Registrar's preliminary view to refuse the request for additional time. I then confirmed this decision in my letter of 19 September 2008, concluding with the following paragraph:

"Considering the facts of the case, I am satisfied that the Registrar fulfilled its obligation to communicate the hearing officer's decision as quickly as possible i.e. one day after it was signed off. I am also satisfied that the twenty-eight day period allowed for filing an appeal to the Appointed Person fulfils the Registrar's obligation to be just and fair. I note that the applicant allowed a period of twenty-two days to elapse before requesting the transcript, and that the subsequent request for additional time did not, in my opinion, provide "full and detailed reasons" as specified in Tribunal Practice Note 3/2000. I informed both parties of my belief that any logistical and communication issues caused by the distance between parties became relatively academic when placed in the context of the full four week-long appeal period originally granted. It was, therefore, my belief that both parties had sufficient time in which to file an appeal to the Appointed Person, and that the applicant's reasons for requesting an extension were not sufficiently persuasive to allow for additional time."

14. On 9 October 2008, the applicant submitted a form TM5 requesting a statement of reasons for my decision. This I now provide.

The Law

15. With the interlocutory hearing having been held on 18 September 2008, the relevant and applicable secondary legislation at the time of refusing the request was the Trade Marks Rules 2000. However, with the form TM5 having been submitted *post* 1 October 2008, the Trade Marks Rules 2008 are now applicable. For this reason, all subsequent references to Trade Marks Rules made in this full decision will relate to the latest 2008 version rather than the previous 2000 version.

16. My first point of reference in relation to matters concerning the period for appealing to the Appointed Person is Rule 71 of the Trade Marks Rules 2008 which states the following:

71.-(1) Notice of appeal to the person appointed under section 76 shall be filed on Form TM55 which shall include the appellant's grounds of appeal and his case in support of the appeal.

(2) Such notice shall be filed with the registrar within the period of 28 days beginning with the date of the registrar's decision which is the subject of the appeal.

17. As Rule 71 makes no express reference to any request to extend this 28 day period, the relevant legislation referring to alteration of time limits can be found under Rule 77 of the Trade Marks Rules 2008:

77.-(1) Subject to paragraphs (4) and (5), the registrar may, at the request of the person or party concerned or at the registrar's own initiative extend a time or period prescribed by these Rules or a time or period specified by the registrar for doing any act and any extension under this paragraph shall be made subject to such conditions as the registrar may direct...

(3) Where an extension under paragraph (1) is requested in relation to proceedings before the registrar, the party seeking the extension shall send a copy of the request to every other person who is party to the proceedings.

18. In Tribunal Practice Notice 2/2008, the Registrar issued specific guidance in relation to appeals made to the Appointed Person in Inter Partes proceedings. With regards to extensions of time, the TPN makes reference to the following comments of the Appointed Person in *Whiteline Windows Limited v Brugmann Frisplast GmbH* (BL O-299-00):

"Whilst I accept that the Registry has power under... the current Trade Marks Rules 2000, rule 68, to extend the time of 28 days provided for an appeal, this is a matter which must be approached with the greatest caution so as to ensure that the exercise of discretion does not undermine the purpose underlying the statutory provision. Appeals create uncertainty and it is in the interests of everyone that appeals are disposed of timeously. Extensions of time in which to enter notices of appeal are therefore not to be encouraged"

and

"...I should not like it to be thought that extensions of time for serving appeal documents will be granted lightly."

19. On the basis that requests to extend time periods for submitting an appeal are assessed by the Registrar in the same way that one would assess any other request to extend a time period within proceedings (i.e. by reference to Rule 77), I have also considered the current Law Practice Direction relating to *general* extensions of time in inter partes proceedings. In this direction, reference is made to the following comments of Geoffrey Hobbs QC, sitting as the Appointed Person in the case of *Liquid Force* [1999] RPC 429:

"In the interests of legal certainty it is plainly desirable that valid applications for registration should succeed and valid objections to registration should be upheld without undue delay. The time limits applicable to opposition proceedings under the 1994 Act and the 1994 Rules were formulated with that consideration in mind. The registrar endeavors to ensure that the prescribed

time limits are observed, subject to his power to grant fair and reasonable extensions of time in appropriate cases."

20. The practice direction goes on to quote from the case of *Dr Ghayasuddin Siddiqui v Dr M H A Khan as a nominee of the Muslim Parliament of Great Britain* SRIS O-481-00. In that case, Simon Thorley QC, acting as the Appointed Person, stated the following:

"1. It must always be borne in mind that any application for an extension of time is seeking an indulgence from the tribunal. The Act and the rules lay down a comprehensive code of conduct of opposition. The code presumes for a normal case and provides for it.

2. There is a public interest which clearly underlies the rules that oppositions and applications should not be allowed unreasonably to drag on.

3. In all cases the registry must have regard to the overriding objective which is to ensure fairness to both parties. Thus, it can grant an extension when the facts of the case merit it.

4. Accordingly, it must be incumbent on the application for the extension to show that the facts do merit it. In a normal case this will require the applicant to show clearly what he has done, what he wants to do and why it is that he has not been able to do it. This does not mean that in an appropriate case where he fails to show that he has acted diligently but that special circumstances exist, an extension cannot be granted. However, in the normal case it is by showing what he has done and what he wants to do and why he has not done it that the registrar can be satisfied that granting an indulgence is in accordance with the overriding objective and that the delay is not being used so as to allow the system to be abused.

Jacob J made it clear in the SAW case that any perception that the registrar would grant extensions liberally was wrong and I take this opportunity to repeat that. In principle matters should be disposed of within the time limits

set out in the rules and it is in an exceptional case rather than the normal case where extensions will be granted."

21. I had previously considered all of the jurisprudence and guidance presented above prior to issuing my oral decision at the hearing, and therefore consider these references important in providing some context to my decision taken at the hearing.

22. Both in its skeleton arguments and at the hearing, the applicant's submissions rested upon four main themes. Firstly, Mr Marsh placed great emphasis upon the fact that he did not receive the Hearing Officer's full written decision until 31 July 2008 (coincidentally the same date on which it requested the transcript of the hearing). As a result of receiving the decision and transcript only four days prior to expiry of the period for filing an appeal, Mr Marsh indicated that he had been provided with insufficient time to review the relevant materials and, on the basis that he alleges the presence of some inaccuracies in the full decision, that he was unable to prepare and submit a thorough and detailed written statement to accompany the appeal within the remaining three day time period. Mr Marsh also claimed that the time difference between the UK and California (i.e. the applicant's base), along with the structure of the applicant's business, made it difficult to communicate effectively within that three-day period. Secondly, Mr Marsh made reference to the fact that the 28 day period granted for submitting an appeal is notably shorter than the two and three month periods routinely granted at other stages of the tribunal process. Thirdly, Mr Marsh claimed that, in the interests of natural justice, the Registrar should have provided more comprehensive reasons for its preliminary view to refuse the extension of time. And fourthly, Mr Marsh emphasized the fact that the opponent had not presented any formal written objections to the initial request for additional time, and also that the applicant's reasons for requesting additional time outweigh the potential for harm to be caused to the opponent by refusing the request.

23. In relation to the first of the aforementioned claims, I do not believe that the opponent's receipt of the full written decision only four days prior to expiry of the appeal period can be accountable to anyone other than the opponent himself. In order to maintain a fair and just appeal system, the Registrar strives to ensure that its decisions are issued on the same day as they are dated. By doing so, the

Registrar allows parties to make full use of the statutory 28 day period. In this case, the decision was dated 7 July 2008 and was dispatched by recorded delivery on 7 July 2008. At the hearing, I referred Mr Marsh to the fact that, according to Royal Mail's online mail tracking service, the paper decision was delivered to Wilson Gunn at its Manchester Office on 8 July 2008 under reference DW 5542 6377 7GB, and that, furthermore, the documentation shows that the package was received and signed for on that date by an individual named "J Smith". At the hearing, Mr Marsh indicated that he recognised that name as being an employee of Wilson Gunn. Whilst Mr Marsh may have personally received his copy of the decision on 31 July 2008, all evidence on file indicates that the Registrar fulfilled his obligation to issue the decision without any undue delay.

24. Notwithstanding the fact that the applicant's representative was in possession of the hearing officer's decision in good time, I was not persuaded or influenced by Mr Marsh's comments regarding geographical distance between the relevant parties and the resultant logistical difficulties in preparing a suitable statement of appeal. I *would* expect that trade mark attorneys routinely represent foreign clients in proceedings (including those based in locations as far away from the UK as California) and *would not* expect this to create any sort of routine difficulty in undertaking normal business. In light of communications technology which most modern businesses have access to, I was not persuaded that Mr Marsh faced any undue or exceptional difficulties in obtaining instructions from the applicant. If any difficulties resulting from distance and different time zones were amplified as a result of Mr Marsh having only four days in which to submit an appeal, then this can only be a result of Wilson Gunn's delay in noting and/or responding to the hearing officer's decision delivered on 7 July 2008. I believe that the 28 day statutory period *did* provide sufficient time to allow for the submission of an appeal document, and that the Registrar provided a procedural framework which was both just and fair to all parties concerned.

25. In relation to the duration of the period allowed for submitting an appeal to the Appointed Person, I am aware that a significant number of time periods used within the tribunal process do extend towards two and three months. However, I am also aware that there are numerous occasions whereby the Tribunal may, at its own

discretion, set a reply period as little as 7, 14, or 21 days. Furthermore, the 28 day period set as a default may be extended if the Registrar can be satisfied that there are clear and justifiable reasons for the exercise of discretion. Therefore, I was not persuaded at the hearing that the standard period was unduly unfair to the party considering an appeal.

26. As regards the Registrar's initial decision to refuse the request for additional time, I note that the official letter of 6 August 2008 stated that "the Registry's preliminary view is that the extension of time should be refused". Although more detail could have been provided in this initial response, I should emphasise that, in terms of providing justification and support for its request, the initial onus rested upon the applicant. At paragraph 19 above, I have referred to the comments of Simon Thorley QC in *Dr Ghayasuddin Siddiqui v Dr M H A Khan as a nominee of the Muslim Parliament of Great Britain* SRIS O-481-00, wherein he set out the requirements which should met in order to satisfy that Registrar that discretion can be exercised, namely, that the party seeking an indulgence should demonstrate what it has done, what it wants to do, and why it has not done it.

27. In its original request for additional time, the applicant clearly failed to satisfy all three criteria. To remedy this, the applicant's next letter filed in response to the Registrar's preliminary view to refuse the request indicated (i) what it had done i.e. requested a transcript and conveyed its intention to appeal the hearing officer's decision; (ii) what it wanted to do i.e. prepare a detailed appeal statement; and (iii) why it had not been able to do this i.e. it had received the decision "slightly belatedly". Notwithstanding the fact that the applicant should have provided such detail when filing the initial request for an extension to the appeal period, I was not persuaded that these reasons (provided *after* the initial request had been made) justify an exercise of discretion in favour of the applicant. Postal records confirm that the applicant's representative received the decision a day after it was signed by the hearing officer. The applicant therefore had the full 28 day period in which to request a transcript, prepare a suitable statement, and file the appeal with the Registrar. In its own skeleton arguments, the opponent questions why the applicant waited until four days prior to the expiry of the relevant period before requesting a transcript. I

raised this same point at the hearing, and was not provided with any persuasive or satisfactory answer.

28. In circumstances relating to more conventional requests for additional time in tribunal proceedings (i.e. those not relating to extensions of the appeal period), I am not convinced that these reasons would justify an exercise of discretion. In circumstances such as those being dealt with here (i.e. relating to an extension to the appeal period), I am conscious of the comments made by Simon Thorley QC in the *Whiteline Windows v Brugmann Frisoplast GmbH* case where he stated that requests to extend the appeal period "must be approached with the greatest caution so as to ensure that the exercise of discretion does not undermine the purpose underlying the statutory provision". Such comments indicate that the Registrar's approach towards assessing requests to extend the appeal period should be *at least* as strict as, if not stricter than, its approach towards requests for more time submitted during the initial and evidential stages of inter partes proceedings. Taking all this consideration, and knowing that the applicant appears to have delayed its action on receipt of the hearing officer's decision, I am of the opinion that an exercise of discretion in favour of the applicant would undermine the purposes of the statutory provision.

29. Finally, I am not persuaded that the opponent's failure to present formal objection to the request for additional time supports the applicant's position. In both its written skeleton argument and its oral submissions, the opponent confirmed that it had not received a copy of the applicant's initial request. At the hearing, Ms Eke confirmed that she only became aware of the applicant's request as a result of receiving a copy of the Registrar's preliminary view to refuse an extension to the appeal period. Being made aware of both the request and the Registrar's response at the same time, and also being in agreement with the Registrar's position, Ms Eke submitted that she therefore felt no obligation to present any written objections in response. I can fully understand the reasoning behind this lack of any action, and do not believe the absence of formal objection is in any way prejudicial against the opponent. In light of the fact that the hearing officer's decision confirmed that the opposition succeeded on the grounds of passing-off and bad faith, I also note that the opponent has made a reasonable claim towards the potential harm caused by continued use of the

applicant's mark as a result of any further delays such as would be brought about by an extension to the appeal period.

30. Before reaching my decision to maintain refusal of the request for additional time, I carefully considered all information provided by the applicant in support of its request, and all possible consequences that a decision to allow the additional time would have upon the opponent. In doing so, I note that there would be undesirable consequences for the opponent in allowing the proceedings to continue any further, and also note that the 28 day period initially granted to the parties does represent a fair and just system for facilitating the preparation and submission of an appeal document. Ultimately, the applicant chose to delay its action until such time that it had no option but to request additional time, and I was not persuaded that this justifies an exercise of discretion in its favour.

31. Taking into account all the circumstances of the case, I decided to maintain the Registrar's preliminary view to refuse the applicant's request to extend the statutory period provided for submission of an appeal to the Appointed Person.

Costs

32. The opponent's skeleton arguments included a request for an award of costs to be made in respect of the hearing. Although Ms Eke made no reference to this in her oral submissions, I hereby direct that the opponent should be awarded £200 as a contribution towards its costs in appointing, preparing for, and attending this hearing. This amount is awarded against the applicant.

Dated this 2 day of December 2008

Nathan Abraham
For the Registrar,
The Comptroller General