

O/382/21

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003453387

IN THE NAME OF GRAIN LONDON LIMITED

FOR THE TRADE MARKS:

GRAIN

AND



(SERIES OF TWO)

IN CLASSES 9, 16, 35,
41 AND 42

AND

THE LATE FILING OF FORM TM8 AND COUNTERSTATEMENT

IN DEFENCE OF AN OPPOSITION

UNDER NO. 420467 BY GRAIN LIMITED

BACKGROUND

1. On 20 December 2019, Grain London Limited (“the applicant”) applied to register the series of trade marks shown on the cover page of this decision in the United Kingdom. Registration is sought for the following goods and services:

Class 9: Virtual reality software; computer software for interactive visual display; digital data relating to visualisation; audio-visual presentations (recordings); multimedia recordings; computer-aided design presentations (recordings) for visualising buildings, townscapes, landscapes and building interiors.

Class 16: Architectural models; artwork.

Class 35: Preparation and updating advertising material; preparation and presentation of audio-visual displays for advertising purposes; preparation and updating advertising material for use as web pages; consultation and advisory services relating to advertising material and virtual reality displays and simulations; all for others and all being related to building developments, townscapes, landscapes, engineering projects or construction projects.

Class 41: Audio-visual presentations; production of audio-visual or video simulations for buildings, townscapes and landscapes.

Class 42: Design services relating to models; design services relating to model-making for display purposes; design and development services in relation to virtual reality; architecture; architectural design and consultancy services; architectural planning and project management services; research relating to architecture; preparation of architectural plans and reports.

The application was published for opposition purposes on 6 March 2020.

2. On 5 May 2020, Lane IP filed a Form TM7A (“Notice of threatened opposition”) on behalf of Grain Limited (“the opponent”). The effect of filing Form TM7A was to extend the period in which it could file an opposition until 8 June 2020. On 4 June 2020, Grain Limited opposed the application based upon sections 5(1)/5(2)(a)/5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”) by way of filing form TM7 (“Notice of opposition and statement of grounds”).

3. On 8 June 2020, the TM7 was served on the applicant's representative (Stobbs), allowing until 10 August 2020 for the filing of a form TM8 ("Notice of defence and counterstatement") or TM9C ("Request for a cooling off period"). That letter contained the following paragraphs:

"Rule 18(1) and 18(3) 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. Alternatively, if both parties wish to negotiate to resolve the dispute, they may request a "cooling off period" by filing a Form TM9c, which will extend the 2 month period in which to file a Form TM8 by up to a further seven months. Form TM9c is also available on the IPO website (above). Please note both parties must agree to enter into cooling off.

IMPORTANT DEADLINE: A completed Form TM8 (or else a Form TM9c) MUST be received on or before 10 August 2020.

Rule 18(2) of the Trade Marks Rules 2008 states that "*where an applicant fails to file a Form TM8 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.*"

It is important to understand that if the deadline date is missed, then in almost all circumstances, the application will be treated as abandoned."

4. On 10 August 2020, the applicant filed a form TM9C, requesting that the parties effectively enter into a period of cooling off. The TM9C was admitted into proceedings on 13 August 2020, by way of an official letter, which read (inter alia) as follows:

"I refer to the TM9c dated **10 August 2020** indicating that the parties wish to enter into a cooling off period.

In accordance with Rule 18(4) of the Trade Marks Rules 2008, this period will expire on **08 March 2020**.

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 **08 March 2021**.

If no such request is made, the TM8 and counter-statement should be filed on or before **08 March 2021** 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.”

5. The reference to the cooling off period expiring on 08 March 2020 is a typographical error on the registry’s part. The period was set to expire on 08 March 2021, as stated in the latter paragraphs of the official letter. I will return to this point later in my decision.

6. As no TM8 was filed within the prescribed period (i.e. by 08 March 2021), on 18 March 2021, the Tribunal wrote out to the applicant (with the letter copied to the opponent) stating:

“The official letter dated **13 August 2020** invited the applicant to file a TM8 and counterstatement on or before **08 March 2021**.

As no TM8 and counterstatement has been filed within the time period set, Rule 18(2) applies. Rule 18(2) states that the application:

“.....shall, unless the registrar otherwise directs, be treated as abandoned.”

The registry is minded to deem the application as abandoned as no defence has been filed within the prescribed period.

If you disagree with the preliminary view you must provide full written reasons and request a hearing on, or before, 01 April 2021 This must be accompanied by a Witness Statement setting out the reasons as to why the TM8 and counterstatement are being filed outside of the prescribed period.”

7. On 23 March 2021, the registry received an email from the applicant's representative requesting a further period (in which to meet its deadline). The email states:

"... Please see attached the official letter of 13 August 2020 for your ease of reference. Due to a typographical error in the letter (in paragraph 2, the end of the cooling-off period is stated as 08 March 2020), the incorrect deadline was logged into our system when the letter was processed. This has caused us to miss the deadline of 08 March 2021.

We only became aware of this error after we received the recent letter of 18 March 2021.

The Applicant therefore respectfully requests a further period in which to meet its deadline under your discretion.

Please let us know if you would require anything further from us in order to consider this request..."

8. A further email from the applicant's representative was received on 31 March 2021, reading:

"We write in response to your official letter of 18 March 2021 and to follow up on our below email of 23 March 2021.

We spoke to one of your colleagues today and understand that you are not currently in the Office. Your colleague kindly advised that in order to preserve our position, we should request an extension to request a hearing before our deadline to do so of tomorrow, 01 April 2021.

The Applicant therefore respectfully requests a 14 days' extension of the deadline of 01 April 2021 for filing the hearing request."

9. On 6 April 2021, the registry formally responded to the applicant's requests by way of an official letter, which included the following paragraphs:

"The Registry acknowledges that in official letter dated 13 August 2020 the expiration date of the cooling off period is incorrectly given as 08 March 2020, instead of 08 March 2021.

However, as both the dates for filing a TM9E and TM8 and counterstatement were correctly stated in the official letter, as 08 March 2021, the Registrar believes that the attorney made an error when updating its diary system. The request to file a late filed TM8 is refused.

Therefore, it is the Registrar's preliminary view that in the absence of a TM8 and counter statement the application will be deemed abandoned.

If you disagree with the preliminary view you must provide full written reasons and request a hearing on, or before, 20 April 2021.

Please note, if a hearing is requested, a TM8 and counterstatement must be filed before the date of the hearing."

10. On 19 April 2021, the applicant wrote to the registry requesting that a hearing be appointed. Alongside its request, it filed a form TM8 supported by a witness statement from Mr Jan-Caspar Rebling of Stobbs, dated 19 April 2021, offering an explanation as to why the deadline for filing form TM8 was missed. Within that witness statement, Mr Rebling submits:

"3. We received the Registry letter of 13 August 2020 on the same day. The letter states that the cooling off "period will expire on 8 March 2020" at the second paragraph. The correct deadline 8 March 2021 appears further down the letter.

4. It is our firm's practice to note the first deadline of a letter setting out the end of the cooling-off period and the deadline to file a Form TM8 or TM9C/TM9E, since these would fall on the same day. Therefore, this error has caused the incorrect

deadline to be noted down in our system. Other deadlines throughout the letter never appeared as deadlines in our system.

5. As the correct deadlines were never logged into our deadline system, we only became aware of this issue when we received the Registry's letter of 18 March 2021 which notified us of failure of filing the Form TM8. We have then been actively following up with the Registry for submission of the Form TM8 as per below timeline. I understand that the Form TM8 is being filed at the same time of filing this Witness Statement.

- 23 March 2021: We called the Registry to confirm the status of the proceeding. The phone call was picked up by one of the Registry staff and we were advised to send an email.

- 23 March 2021: We sent an email to the Registry requesting an extended period for filing the Form TM8.

- 31 March 2021: We called the Registry and was advised that the Examiner was out of office. We were advised to request an extension to the deadline for requesting a hearing to preserve our position.

- 31 March 2021: As advised by the Registry on the call, we sent an email to the Registry requesting a 14-day extension to the deadline for requesting a hearing.

- 16 April 2021: We received the Registry's letter in response to our emails of 23 March 2021 and 31 March 2021. The Registry's letter refused to give permission for filing the Form TM8 but granted the 14-day extension for requesting a hearing."

11. On 23 April 2021, a joint hearing was appointed for 11 May 2021. On 29 April 2021 the opponent's representative confirmed that it would not be attending.

12. A hearing took place before me, by telephone, on 11 May 2021. Mr Jan-Caspar Rebling attended on behalf of the applicant. The applicant filed a skeleton argument in advance of the hearing.

DECISION

13. The filing of a Form TM8 and counterstatement in opposition proceedings is governed by rule 18 of the Trade Marks Rules 2008 (“the Rules”). The relevant parts read as follows:

“18. – (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.”

14. 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 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.”

15. In its skeleton argument, the applicant cites Rules 77(1), 77(5) and Schedule 1 of the Rules and submits that the missing of the deadline is attributable, at least in part, to the typographical error made by the office. During the hearing, Mr Rebling clarified that he does not consider the office *wholly* responsible for the error, but instead a contributory factor, as it preceded human error on his part for not having recorded the

correct deadline which was clearly set out in the registry's letter. Mr Rebling explained that, generally, the dates entered into their firm's diary system are routinely double-checked but this was apparently not carried out correctly on this occasion. It is clear, and the registry has admitted, that a typographical error was made in the official letter of 13 August 2020. However, given that the correct deadline was also contained within that letter and that it would have been apparent to the recipient that the first (erroneous) deadline was incorrect as it pre-dated the letter within which it was prescribed, I do not consider this a sufficient line of reasoning and justification, in and of itself, to set aside the preliminary view to refuse the late-filed TM8, set out in the official letter of 6 April 2021.

16. At the hearing, Mr Rebling proceeded to consider the factors laid out in *Music Choice Ltd's Trade Mark* [2005] RPC 18. In those proceedings, the Court proposed several factors which would likely be of assistance when reaching a conclusion as to whether or not discretion should be exercised in favour of a party in default. Such discretion is afforded to me by the use of the words "unless the registrar otherwise directs" in rule 18(2). Mr Rebling addressed each factor in turn (as I will below), but stated that it falls to me to determine how much weight to attribute to each factor.

17. In approaching the exercise of discretion, I also take into account the decisions of the Appointed Person 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. I have to be satisfied that there are extenuating circumstances which justify the exercise of the discretion in the applicant's favour.

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

18. The applicant admits that it received the registry's letter setting out the expiry of the cooling-off period on the date it was issued (on 13 August 2020). An extract from that letter is provided above at paragraph 4. As a result of the typographical error recording an erroneous deadline for filing form TM8, the applicant's representative failed to input the correct deadline into its filing system. Whilst this was only a contributory factor, and the later

paragraphs of the letter specified the correct deadline, consequently, the deadline of 08 March 2021 was missed. Following a number of exchanges with the registry, the applicant ultimately filed form TM8 on 19 April 2021 (42 days later than it was due). In his witness statement, Mr Rebling declares that, in light of this incident, “we have recently revised our deadline system to avoid a situation where a clear mistake in the official letter goes unnoticed.”

The nature of the opponent’s allegations in its statement of grounds:

19. The opposition is based upon sections 5(1)/5(2)(a)/5(2)(b), 5(3) and 5(4)(a). For the purpose of sections 5(1)/5(2)(a)/5(2)(b) and 5(3), the opponent relies upon an earlier UK registration for the word mark GRAIN, which is subject to proof of use. For the purpose of section 5(4)(a), the opponent relies upon an earlier right in the sign GRAIN, which it claims to have used throughout the UK since at least 2003.

The consequences of treating the applicant as defending or not defending the opposition:

20. Should the TM8 be admitted and the applicant is allowed an opportunity to defend the opposition, the proceedings will continue with the parties each given an opportunity to file evidence and the matter will be determined on its own merits.

21. If the preliminary view is upheld and the applicant is not allowed to defend the opposition, the application will be deemed abandoned in respect of all goods and services for which registration is sought. Furthermore, whilst it would be open to the applicant to re-file its application, it would lose its filing date of 20 December 2019 and its application may face further objection from third parties on the basis of intervening rights which have arisen since the application was filed, not to mention a duplicated opposition from the opponent (should the parties not have finalised the terms of their settlement).

Any prejudice caused to the opponent by the delay:

22. Mr Rebling submits that there is no prejudice caused to either party by the delay, particularly due to the ongoing negotiations between the parties. Mr Rebling further submitted that it would be advantageous to admit the TM8 as it would allow the parties to finalize their coexistence settlement and each attain legal certainty. He also referred to the tribunal's overriding objective of procedural efficiency and stated that admitting the TM8 would (potentially) place less strain on the tribunal, which could ensue as a consequence of the applicant re-filing its application and the potential oppositions which may follow. Additionally, Mr Rebling highlighted that the opponent has not expressed any objection to the admission of the late TM8.

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

23. At the hearing, Mr Rebling advised that the parties have been negotiating in good faith since March 2020 and have agreed a settlement in principle, which is currently unsigned pending the outcome of the hearing. Mr Rebling suggested that this factor is a key point to which due weight should be applied.

Conclusions

24. In reaching my decision, I acknowledge that if discretion is not exercised in the applicant's favour, the opposition will succeed and the applicant will lose its filing. I further acknowledge that it may be that the applicant will simply re-file its application which could be subject to further opposition, not only from the opponent (should the settlement not be agreed) but also from third parties. However, as the loss of priority and possibility of further proceedings on much the same basis is often the consequence of a failure to comply with the non-extensible deadline to file a form TM8, these are not factors that are, in my view, particularly compelling, at least not in isolation.

25. I should also make it clear that I attribute little relevance to the opponent's decision to not attend the hearing, nor file submissions. This is not necessarily indicative that the opponent does not consider it will be prejudiced should the late TM8 be admitted

into the proceedings. It may, instead, simply indicate that it considered that the preliminary view to refuse the late-filed form was unlikely to be overturned and elected not to incur any further costs in this regard.

26. What I do take into account particularly is that the parties are actively working towards a settlement and that they have the opportunity to co-exist amicably within the marketplace. To admit the TM8 into proceedings would allow the parties to finalise the agreement and will avoid duplicitous proceedings. I do not consider there to be any significant prejudice posed to the opponent as a result of the delay. Whilst I acknowledge that the applicant's defence was filed 42 days after the original deadline, records show that the applicant acted expeditiously once it became aware that the deadline had been missed via a number of exchanges with the registry and its request to extend the period retrospectively. Whilst I would have expected the applicant's representative to have an existing understanding of the Rules and the implications of missing a non-extensible deadline, nevertheless it shows a degree of proactivity on the applicant's part and demonstrated an intention to defend its application. Furthermore, although the registry was not wholly responsible for the turn of events at hand, I am willing to accept that the typographical error within the official letter of 13 August 2020 may have acted as somewhat of a catalyst which led to the applicant missing a deadline fundamental to the proceedings. Taking into account the circumstances of the case, and keeping in mind the benefits outlined above, I am minded to conclude that the discretion provided under rule 18(2) should be exercised in the applicant's favour.

CONCLUSION

27. The consequence of the above finding is that the applicant's form TM8 and counterstatement will be admitted into the proceedings and assessed accordingly. Providing no anomalies are identified, it will then be formally served upon the opponent and a timetable will be set for the filing of evidence.

COSTS

28. As I have admitted the applicant's defence into the proceedings and the opposition is allowed to continue, costs will be considered at the final determination of the case.

Dated this 21st day of May 2021

**Laura Stephens
For the Registrar**