

TRADE MARKS ACT 1994

IN THE MATTER OF:

AN APPLICATION BY NICHOLAS DYNES GRACEY

FOR RECTIFICATION OF PROCEDURAL IRREGULARITY

IN RELATION TO TRADE MARK REGISTRATION No. 2024326

IN THE NAME OF MEAT LOAF

DECISION

1. Trade mark application number 2024326 was filed in the name of Meat Loaf on 19th June 1995. The application was published in accordance with the provisions of Section 38(1) of the Trade Marks Act 1994 on 27th March 1996. It was opposed by Mr. Nicholas Dynes Gracey on 27th June 1996. His opposition was erroneously deemed abandoned in March 1997. Meat Loaf's application thereafter proceeded to registration under Section 40 of the Act on 1st April 1997.

2. In recognition of the fact that his opposition had been deemed abandoned as a result of an administrative error on the part of the Registrar, Mr. Gracey was given an ex gratia payment equating to the opposition fee he had paid. In the course of protracted correspondence he asked the Registrar to rectify the error in question by changing the status of application number 2024326 from registered to opposed. The Registrar maintained that the registration of a trade mark could not

be withdrawn in the exercise of the power to rectify procedural irregularities under Rule 60 of the Trade Marks Rules 1994 (now Rule 66 of the Trade Marks Rules 2000) and that removal of the trade mark from the register would require a successful application for a declaration of invalidity under Section 47 of the Act.

3. Mr. Gracey asked for a hearing at which to present arguments in support of his request for withdrawal of the registration in question. This was refused. He then filed a request under Rule 56 of the Trade Marks Rules 1994 (now Rule 62 of the Trade Mark Rules 2000) for a statement in writing of the reasons for the Registrar's decision. This was provided by Ms. Janice Smith on behalf of the Registrar in the form of a decision issued on 16th October 2000 and a supplementary decision issued on 27th November 2000.

4. Ms. Smith concluded that there had been an irregularity in procedure in or before the Registrar which might have been corrected by withholding registration of the trade mark in question, but which could not be corrected by withdrawing registration of the trade mark in question. She therefore refused Mr. Gracey's request for reinstatement of his opposition.

5. Mr. Gracey appealed to an Appointed Person under Section 76 of the Act. His appeal came on for hearing before me on 19th September 2001. At the conclusion of the hearing I allowed the appeal, set aside the hearing officer's decision and remitted the application for rectification to the Registrar for consideration and determination by a different hearing officer. I directed that ***“the costs of the appeal be costs in the remitted application”***.

6. In the decision I gave at that time (SRIS 0/455/01) I said:

“The consideration and determination of the application for rectification should be undertaken with appropriate regard for, first of all, the decision in Andreas Stihl AG & Co’s Application [2001] RPC 215; secondly, the Registrar’s position as stated in the third recital to the Order made by Laddie J. on 19 May 2001 on reference of the Andreas Stihl AG & Co case to the High Court; and thirdly, paragraphs 53 to 55 of the decision on appeal in the matter of Application No. 11654 for Revocation of the Gillette Company’s Trade Mark No. 1226339 (23 May 2001)”

The Order made by Laddie J. on 19th May 2001 in the Andreas Stihl case is reproduced as Annex I to this decision. The decision on appeal in the case relating to the Gillette Company’s Trade Mark No. 1226339 is filed as SRIS 0/375/01. Paragraphs 53 to 55 of that decision emphasise that the denial of a right to be heard will not readily be regarded as an immaterial breach of procedure.

7. The remitted application was allocated to Mr. John MacGillivray, Principal Hearing Officer, for consideration on behalf of the Registrar. He wrote to Mr. Gracey and the agents acting for Meat Loaf on 16th November 2001 informing them of his involvement. In that letter he said:

“Before determining the issue I would be pleased to consider any written submissions you may wish to make on the matter before me. There is no requirement for you to provide any submissions whatever, but you should let me have any submissions you wish to make in writing and within two months of the date of this letter.”

It is to be noted that the letter made no mention of a hearing under Rule 54 of the Trade Marks Rules 2000.

8. Rule 54(1) provides as follows:

“Without prejudice to any provisions of the Act or these Rules requiring the registrar to hear any party to proceedings under the Act or these Rules, or to give such party an opportunity to be heard, the registrar shall, before taking any decision on any matter under the Act or these Rules which is or may be adverse to any party to any proceedings before her, give that party an opportunity to be heard.”

9. On 16th January 2002 Mr. Gracey sent 11 pages of documentation to the Registry marked for the attention of the Principal Hearing Officer. The documentation was written and presented in a manner that was confused and confusing as to the position that Mr. Gracey was adopting in response to the Principal Hearing Officer’s letter of 16th November 2001 inviting submissions on the matter before him. It was copied to the agents acting for Meat Loaf. It was also forwarded to the Treasury Solicitor’s department for onward transmission to me.

10. Pages 1 to 5 consisted of written observations entitled: “REVIEW OF APPEAL to the APPOINTED PERSON” above the sub-title “... clarifications following 13:59 to 16:01 hrs WED. 19. SEP. 2001 hearing, in respect of Justice Neuberger’s WED. 09. MAY 2001 Judgment re. **Kirin Amgen Inc. and Others v. Transkaryotic Therapies Inc and Others** ‘Power to review judgment unchanged by new rules’, published in The Times FRI. 01. JUN. 2001, Law section, page 25 [Please see copy attached on page 10 of this fax].”

11. Paragraph 1 of the observations indicated that they had been submitted in response to the Principal Hearing Officer’s letter of 16th November 2001.

12. Paragraphs 2 to 4 of the observations referred to the hearing which had taken place before me on 19th September 2001 and recited the following statement (previously included as one of a number of statements overwritten in manuscript on a letter from the Treasury Solicitor's department which Mr. Gracey had received and faxed back to the Treasury Solicitor on 5th October 2001):

MY ONLY REQUEST FOR COSTS IS TO THE REGISTRAR ONLY TO PAY FOR MY TIME SO IN RESPECT OF THE HUMAN RIGHTS ACT, TO AVOID THE NEED FOR A JUDICIAL REVIEW, PLEASE APPOINT A BRIEF HEARING ON COSTS OR OTHERWISE EXPLAIN HOW THE REGISTRAR CAN AWARD COSTS AGAINST HERSELF?

Paragraph 3 of the observations stated that the Appointed Person had not replied to the manuscript version of this statement faxed to the Treasury Solicitor on 5th October 2001 "contrary to Article 8 the Human Rights Act 1998". Paragraph 4 of the observations indicated that Mr. Gracey's request for costs was set out "at least" at p.5 line 7 to p.7 line 24 and p.57 line 7 to p.58 line 10 of the transcript of the September hearing before me.

13. Paragraph 5 of the observations contained the following request: "Please immediately advise on what basis the Registrar can order costs against Herself in relation to irregular administrative acts, or alternatively please immediately refer this matter back to the Appointed Person for assessment for correction, of the Appointed Person's apparent irregularity, by way of TMR 66".

14. Paragraph 6 of the observations contained a request for security for costs to be provided by Meat Leaf.

15. Paragraphs 7 and 8 of the observations were expressed in the following terms:

“7. Gracey’s ‘status’ is that of self-represented Registered Proprietor and £350 costs/compensation [TM5 + TM7 fees] are sought from the Registrar, in accordance with **TPN 2/2000, paragraph #12** and its **paragraph #11** referring to the attached **Annex A**. If the **CPR** status as a ‘Litigant in Person’ dominates [which since filing paragraph #(7) of Gracey’s 4-page MON.11.DEC.2001 ‘Notice of Appeal’ is believed to be other than the case] then an opportunity to provide the Appointed Person with detailed evidence of Gracey’s ‘*financial loss*’ is hereby requested, on the basis that such information would be dealt with in a confidential manner rather than reference be made to such detail in an Appointed Person Judgment, ultimately published on the internet.

8. In respect of **Section 6(1), 7(1)Part I, Article 4, 6, 8, 14, 17, Part II, Article 1** of the **HRA 1998** and the lack of anything contrary in **TMA 1994 Section 70**, Gracey’s request for an award of costs to Gracey from the Registrar is maintained in relation to the Appointed Person’s proactively withholding any award of costs/compensation from the Registrar [in relation to confirmed irregular administrative acts], without any reasonable reason, from Gracey at the **WED.19.SEP.2001** hearing.”

16. Paragraphs 9 to 13 of the observations contained references to case law under the general heading: ‘REFERENCES re. Registrar’s/Appointed Person’s apparent OPPRESSION.’”

17. Having received a copy of Mr. Gracey’s written observations from the Treasury Solicitor’s department, I responded in writing on 24th January 2002 pointing out that I had not previously seen the overwritten letter he had faxed back to the Treasury Solicitor on 5th October 2001. I also pointed out that the order embodying the decision I had given at the conclusion of the hearing on 19th

September 2001 had been drawn up and signed with the result that: “that renders me *functus officio* even if (which I consider to be questionable) I would otherwise have had the same power as a judge of the High Court to reconsider the decision pronounced at the hearing on 19th September.” At the hearing of the present appeal Mr. Gracey indicated that he was not challenging the position I had adopted in that letter (Transcript p.72 line 8 to p.73 line 20).

18. The Principal Hearing Officer received no submissions on behalf of Meat Loaf. He proceeded on the basis that Mr. Gracey’s written observations were essentially directed to a request for an award of costs against the Registrar.

19. In official letters dated 23rd January 2002 and 4th February 2002 the Registry informed Mr. Gracey that the Principal Hearing Officer was proceeding to a determination of the remitted application for rectification and would be issuing a written decision in due course. No hearing was offered or requested under Rule 54 of the Trade Marks Rules 2000.

20. On 15th February 2002 the Principal Hearing Officer issued a written decision upholding Mr. Gracey’s application for rectification. His ruling was as follows:

“In conclusion, I have come to the finding that the abandonment of the opposition proceedings and the subsequent registration of application number 2024326 resulted from procedural irregularity within the Registry which had material consequences. The application for rectification of procedural irregularity is successful and I hereby direct that the registration of trade mark number 2024326 be withdrawn in the exercise of discretionary power. Mr. Gracey’s opposition to the registration will be re-instated. A notice is to be published in the Trade Marks Journal

recording that the registration was made in error, as a result of procedural irregularity, and is void. I also direct that an oral hearing be appointed to determine the substantive opposition to the application and that the determination of costs be left to the substantive hearing. However, I would note that the Registrar has no power to award costs against herself.”

21. The last two sentences of the Principal Hearing Officer’s ruling contain the entirety of his determination in relation to the financial aspects of the written observations which Mr. Gracey had submitted on 16th January 2002.

22. On 15th March 2002 Mr. Gracey gave notice of appeal to an Appointed Person under Section 76 of the 1994 Act. In his grounds of appeal and statement of case under Rule 63 he contended:

- (1) that his appeal should proceed by way of a rehearing rather than a review of the Principal Hearing Officer’s decision in order to meet the point that his requests to the Registrar had not yet been determined by an independent and impartial tribunal established by law in accordance with the requirements of Article 6(1) ECHR;
- (2) that the Principal Hearing Officer’s decision should be set aside for non-compliance with the requirements of Rule 54;
- (3) that he should be awarded ‘compensation’ under Sections 6 to 9 of the Human Rights Act 1998 in respect of the Registrar’s irregular administrative acts in connection with the deemed abandonment of his opposition to trade mark application number 2024326;

(4) that he should receive an award of ‘costs’ in respect of the work he had undertaken in connection with his application for rectification of the procedural irregularity which had occurred in relation to that trade mark application.

23. In relation to point (1), I consider for the reasons given in paragraphs 51 to 64 of my decision in the matter of Application No. 80092 for a declaration of invalidity in respect of Trade Mark No. 2061071 in the name of Nicholas Dynes Gracey (23rd September 2002) that a rehearing in the sense envisaged by Mr. Gracey (i.e. a hearing that would enable him to proceed as if there had never been a decision at first instance) is not required for the protection of his rights under Article 6(1) ECHR.

24. In relation to point (2), Mr. Gracey has moved to the position he was prepared to adopt at the hearing before me (Transcript p.43 line 24 to p.44 line 20 and p. 46 line 15 to p. 47 line 11) that is to say that his appeal should be taken to relate not to the totality of the Principal Hearing Officer’s decision, but only to the part of it in which the Principal Hearing Officer said ***“However, I would note that the Registrar has no power to award costs against herself”***. He provided confirmation that this was his position in paragraphs 1 and 7 of a 4-page letter to the Treasury Solicitor’s department dated 18th August 2002.

25. I am aware that Mr. Gracey is familiar with Registry procedures under the Trade Marks Rules. He is particularly familiar with the operation of what is now Rule 54 of the Trade Marks Rules 2000, having participated in many hearings appointed in accordance with the provisions it contains. He has to my knowledge

succeeded twice on appeal to the Appointed Person in relation to decisions taken in breach of those provisions: Application No. 9593 (and others) in the name of Trocadero Plc for revocation and a declaration of invalidity in relation to Trade Mark No. 1272101 (and others) registered in the name of Nicholas Dynes Gracey (6th December 1999); Application No. 11654 in the name of Nicholas Dynes Gracey for revocation of Trade Mark No. 1,226,399 registered in the name of The Gillette Company (23rd May 2001).

26. It was made apparent to Mr. Gracey that the Principal Hearing Officer was proceeding to issue a written determination of the remitted application for rectification without recourse to a hearing. I believe that he (Mr. Gracey) will have noted the failure on the part of the Registrar to comply with the requirements of Rule 54. Although he told me that he expected to have a hearing before the relevant decision was taken, I am struck by the fact that he did not respond to the letters from the Registry dated 23rd January 2002 and 4th February 2002 with a request for a hearing and does not appear to have expressed surprise at the lack of a hearing upon receipt of the decision issued on 15th February 2002. He says that he was preoccupied with other matters. His explanation for not requesting a hearing is weak and I have misgivings about it.

27. However, it remains the case that the written observations he submitted on 16th January 2002 contained the statement quoted in paragraph 12 above. That statement was identified as a request made in October 2001 in relation to the appeal that had taken place before me in September. It was not specifically put forward as a request for a hearing on the question of costs in relation to the

remitted application for rectification. Even so, its inclusion in the written observations submitted in January 2002 indicated that Mr. Gracey wished to be heard in support of his request for costs from the Registrar. In the circumstances I am unable to conclude that he released, waived or abandoned his right to a hearing under Rule 54 in relation to that aspect of his application under Rule 66. I therefore consider that Mr. Gracey is entitled to maintain his objection to the last sentence of the Principal Hearing Officer's ruling on the ground that it was procedurally irregular under Rule 54. It follows, in my view, that the last sentence of the ruling ("***However, I would note that the Registrar has no power to award costs against herself***") should be struck out.

28. In relation to point (3), it is necessary to observe that the Principal Hearing Officer said nothing in his decision about the request for 'compensation' from the Registrar which Mr. Gracey had raised in paragraphs 7 and 8 of his written observations (see paragraph 15 above). He was right to do so on the basis that Mr. Gracey's request for 'compensation' was, on the face of it, made not to the Registrar, but to me as the Appointed Person who had heard his appeal in September 2001.

29. I understand the claim for 'compensation' in paragraphs 7 and 8 of Mr. Gracey's written observations to be a claim for damages under Section 8 of the Human Rights Act 1998. However, damages necessary to afford just satisfaction for an unlawful act of a public authority may only be awarded under Section 8 of the Human Rights Act 1998 by a court or tribunal which has power to award damages or to order the payment of compensation in civil proceedings. The

Appointed Person does not appear to me to be a court or tribunal that can be said to possess that power. I therefore consider that any claim for damages that Mr. Gracey may wish to make under the 1998 Act must be pursued elsewhere. I say nothing as to the availability or otherwise of such a claim in the circumstances of the present case.

30. In relation to point (4), it is necessary to observe that the power to award costs in Registry proceedings is provided by Section 68(1) of the Trade Marks Act 1994 and Rule 60 of the Trade Marks Rules 2000. These provisions enable the Registrar to make orders for costs against and in favour of the parties to proceedings before her under the Act and the Rules. I adhere to the view expressed in paragraphs 29 et seq of my decision in the matter of Application No. 80092 for a declaration of invalidity in respect of Trade Mark No. 2061071 in the name of Nicholas Dynes Gracey (23rd September 2002) that Section 68(1) and Rule 60 do not enable the Registrar to make orders for costs against or in favour of non-parties. Since the Registrar is not a party to the proceedings which take place before her, I consider that the Principal Hearing Officer was correct, in terms of those provisions, to say that *“the Registrar has no power to award costs against herself”*.

31. However, Mr. Gracey’s claim for rectification has been upheld under Rule 66 of the Trade Marks Rules 2000. This provides that *“any irregularity in procedure in or before the Office or the registrar may be rectified on such terms as the registrar may direct”*. I have not had the benefit of submissions from the Registrar as to the scope of the power conferred by this Rule. My view at present

is that the terms on which an error is rectified may include terms intended to make the rectification complete by providing for the payment or repayment of costs and expenses occasioned or thrown away by the error in question.

32. It is clear from the wording of Rule 66 that a request for payment or repayment of any such costs and expenses must be the subject of a determination by the Registrar before it can be considered on its merits on appeal. It seems to me that particular care is required if the request is for payment or repayment by the Registrar on the ground of Registry error. The determination at first instance should explain why the request has been accepted or rejected and, if it has been rejected on the basis of the immunity conferred by Section 70 of the 1994 Act, why the Registrar has decided not to waive immunity in the circumstances of the error under consideration. I believe that such transparency of reasoning is necessary in order to facilitate compliance with the requirements of Article 6(1) ECHR in the event of an appeal.

33. No determination has yet been made at first instance in relation to the costs aspects of Mr. Gracey's application under Rule 66. The Principal Hearing Officer directed that *“an oral hearing be appointed to determine the substantive opposition to the application and that the determination of costs be left to the substantive hearing”*. The costs to which he was referring included those which Mr. Gracey was claiming in respect of the work he had undertaken in connection with his application under Rule 66. I infer that they also included those covered by my direction on appeal that *“the costs of the appeal be costs in the remitted application”*. There is no subsisting appeal against the Principal Hearing Officer's

direction as to the determination of costs at the substantive hearing of the opposition. In the circumstances it is not open to me to go further into that determination in the context of the present appeal.

34. Mr. Gracey's application for rectification of procedural irregularity has resulted in the reinstatement of an opposition which (since it may or may not succeed) cannot be assumed at this stage to have been usefully reinstated. That is sufficient in my view to make it appropriate for the whole question of whether and, if so, from whom Mr. Gracey should be entitled to recover costs and expenses resulting from the relevant error, to be determined as the Principal Hearing Officer has directed at the substantive hearing of the reinstated opposition. It appears to me that the costs and expenses of the present appeal should be regarded as costs and expenses which Mr. Gracey is seeking to recover as a result of the rectified error. I therefore think that they should be included (in the sum identified below) in the scope of the question reserved for determination at the substantive hearing of his opposition to Meat Loaf's trade mark application number 2024326.

35. A significant amount of the time and effort expended by Mr. Gracey on the preparation and presentation of his appeal related to matters on which he has not succeeded. Looking at his situation in the round, I think that £100 would be a proportionate sum to attribute to this appeal in connection with his yet to be determined application for costs and expenses. I express no view as to whether that or any other sum that he may claim by way of costs and expenses in relation to the rectified error should or should not be awarded to him when the time comes for the relevant determination to be made.

36. For the reasons I have given above, I determine: (1) that the last sentence of the Principal Hearing Officer's ruling in relation to Mr. Gracey's application under Rule 66 be struck out; (2) that the sum of £100 be attributed to this appeal in connection with Mr. Gracey's yet to be determined application for costs and expenses resulting from the error rectified by the Principal Hearing Officer's ruling under Rule 66; and (3) that in all other respects Mr. Gracey's appeal from the Principal Hearing Officer's ruling under Rule 66 be dismissed.

Geoffrey Hobbs Q.C.

23rd September 2002

Mr. Nicholas Dynes Gracey appeared and participated at the hearing via a telephone link.

Meat Loaf was not represented at the hearing.

The Registrar was not represented at the hearing.