

O-104-17

TRADE MARKS ACT 1994

**APPLICATION 84760 BY ONBRAND GROUP LIMITED
TO RECTIFY THE REGISTER
BY THE REMOVAL OF CERTAIN ASSIGNMENTS
FILED AGAINST TRADE MARK 3077324
CURRENTLY IN THE NAME OF INDEPENDENT LOCAL RADIO LIMITED**

AND

**OPPOSITION No.60000276 BY INDEPENDENT LOCAL RADIO PLC
TO TRADE MARK APPLICATION No. 3107657
IN THE NAME OF ONBRAND GROUP LIMITED**

AND

**INVALIDATION APPLICATION No. 500841 BY ONBRAND GROUP LIMITED
AGAINST TRADE MARK No. 3077324
CURRENTLY IN THE NAME OF INDEPENDENT LOCAL RADIO LIMITED**

Decision in rectification 84760

1. Mr Parnell clarified that the rectification OnBrand Group Ltd (“OnBrand”) seeks is the removal of the recorded assignment of trade mark 3077324 from Independent Local Radio Plc (Co. No. 8234198) to Mr Andrew Lloyd dated 21st April 2015, and the subsequent assignment of the trade mark on 11th November 2015 from Mr Lloyd back to company number 8234198 (by then Millinship Plc). OnBrand does not challenge the subsequent assignment of the trade mark on 20th November 2015 from Millinship Plc to Independent Local Radio Plc (Co. No. 9552653).

2. Mr Lloyd accepted that the assignments under challenge had been filed due a mistaken belief as to the appropriate mechanism for transferring the ownership of the trade mark from company No. 8234198 to company No. 9552653 (both Independent Local Radio Plc).

3. It was clear to me that the entry of the two challenged assignments in the register was an error. I therefore decided that these assignments would be expunged from the register using the registrar’s powers under s.64 of the Trade Marks Act 1994.

4. This means that trade mark 3077324 will be recorded as having been registered in the ownership of company number 8234198 until 20th November 2015 when it was properly assigned to company number 9552653.

Consolidation of proceedings

5. As the rectification proceedings are linked to applications to strike out the opposition and the defence and counterstatement in the invalidation proceedings, these proceedings are consolidated under Rule 62 of the Trade Mark Rules 2008 (“The Rules”).

Application to strike out opposition 60000276 and the defence and counterstatement in invalidation 500841

6. Mr Parnell submitted that the counterstatement filed on 7th July 2015 in invalidation 500841 should be struck out because Independent Local Radio Plc (Co. No. 8234198) was struck off the register and dissolved on 31st March 2015. Consequently, the counterstatement was filed in the name of a dissolved company. Further, by the date of the Order of the Court on 29th October 2015, which restored the company to the register, the non-extendible period for filing a counterstatement in invalidation 500841 had expired. Further still, the Order included conditions which prevented the company from carrying on business or “*operating in any way*” other than to perform certain specified functions. The only function that is relevant for current purposes is the transfer of ownership of 9 trade marks, including trade mark 3077324. According to Mr Parnell, this means that the restored company was not entitled to conduct these proceedings.

7. Mr Lloyd resisted the application.

8. I refused the application for the following reasons. Although it is true that company No. 8234198 was dissolved on the date that the counterstatement was filed in its name, the company was subsequently restored to the register. According to point 3 of the Order, this means that the company was “*deemed to have continued in existence as if its name had not been struck off*”. This accords with s.1032(1) of the Companies Act 2006. In my judgment, the effect of the Order for restoration was to cure, retrospectively, the deficiency in the status of the proprietor that existed at the date that the counterstatement was filed. The counterstatement was filed within the period allowed for doing so under Rule 41(6) of the Rules. The retrospective effect of the restoration Order means that it makes no difference that it was made only after the end of the period allowed for filing a counterstatement in the invalidation proceedings concerning trade mark 3077324.

9. If I am wrong about this and the counterstatement is a nullity, then I would have used the registrar’s power under Rule 41(6) to direct that the invalidation

proceedings should continue even without a properly filed counterstatement. This is because (a) the trade mark is a property right, (b) the company which owned the right was properly restored to the register after the date on which the counterstatement was due, (c) depriving the company of its property for failing to do something which, at the time, it could not have done, would result in a loss of property that is disproportionate to any procedural failings on the part of the property owner.

10. As to the alleged breach of the terms of the Order for restoration, I note that the Order was made under s.1032(3) of the Companies Act which states that:

“The court may give such directions and make such provision as seems just for placing the company and all other persons in the same position (as nearly as may be) as if the company had not been dissolved or struck off the register.”

11. Company No. 8234198 was the proprietor of trade mark 3077324. The Order expressly envisaged the transfer of this trade mark to another company. In these circumstances, and bearing in mind the purpose of an Order under s.1032(3), it seems most unlikely that the terms of the Order were intended to prevent the company from defending an application to cancel the trade mark registration. In any event, as the counterstatement had already been filed, all that was really necessary was to transfer the mark (and with it the right to continue the defence of the trade mark) to the new company. As I have already noted, the Order expressly envisaged such a transfer. Even if I am wrong about this, and the continuing defence of the trade mark was contrary to the part of the Order identified by OnBrand, this part of the Order related to an undertaking given to the court, not in the operative part of the Order. Consequently even if, contrary to my primary finding, there was a breach of the undertaking given to the court, this would not have nullified the filing of the company's counterstatement in the invalidation proceedings. At worst, the person who gave the undertaking to the court would be susceptible to proceedings for breach of that undertaking. I therefore reject OnBrand's argument that the Order prevents or nullifies the counterstatement filed in the invalidation proceedings.

12. For much the same reasons, I also reject the application to strike out opposition 600000276 to OnBrand's trade mark application 3107657, which was filed on 6th July 2015 in the name of Independent Local Radio Plc. Given that it was the registered owner of the earlier trade mark relied upon in the opposition (i.e. 3077324), this must mean company No. 8234198. Given my finding in relation to the striking out of the counterstatement in the invalidation proceedings against 3077324, nothing much seems to turn on this. This is because, if the defence of trade mark 3077324 is successful, the current owner of the earlier mark could simply re-apply post registration to invalidate trade mark 3107657. On the other hand, if the invalidation proceedings against 3077324 succeed, then the opposition based on that mark is bound to fail anyway.

Identity of opponent in opposition 600000276 and respondent in invalidation 500841

13. Since the assignment of trade mark 3077324 on 20th November 2015 to Independent Local Radio Plc (Co. No. 9552653) that company changed its name to ILR Plc and subsequently assigned the mark to Independent Local Radio Limited (Co. No. 9709512). I understand that Independent Local Radio Plc (Co. No. 9552653) is in the process of being struck off and dissolved. Mr Lloyd accepted that Independent Local Radio Limited (Co. No. 9709512) should provide a written undertaking to stand for any costs awarded at the conclusion of the proceedings, in the event that OnBrand is successful. He also offered to be joined as a co-opponent/respondent.

14. I will allow Independent Local Radio Limited 7 days to provide the necessary written undertaking. Failing which the opposition will be struck out and the invalidation will be deemed successful for want of an effective opponent/respondent.

Security for costs

15. OnBrand requested security for costs in the event that the opposition/invalidation proceedings continued. This was on the basis that Independent Local Radio Plc (Co. No. 9552653) is in the process of being struck off and dissolved. This will not be relevant if Independent Local Radio Limited (Co. No. 9709512) continues as the opponent/respondent.

Directions for filing evidence/submissions in opposition 60000276 and invalidation 500841

16. If the proceedings continue, Onbrand has **until 2 May 2017** to file evidence in support of the application to invalidate trade mark 3077324.

17. Although no evidence is required in support of opposition 60000276, Independent Local Radio Limited may, if it wishes, file evidence in support of that opposition (in the form of a witness statement) **by the same date**.

18. The parties have **until 2nd July 2017** to file evidence in response to the other side's evidence (if any).

19. If Independent Local Radio Limited files evidence in response, OnBrand will have **until 2nd August 2017** to file evidence in reply.

20. A decision will then be made on opposition 60000276 and invalidation 500841 after giving the parties a right to be heard, if they so wish.

21. I put the parties on notice that I would expect them to stick to this timetable. Given the delay that has already occurred, any extensions will be (a) only allowed if there are very exceptional reasons, and (b) short.

Leave to appeal during the proceedings

22. Mr Parnell asked me for leave to appeal my decision not to strike out opposition 60000276 and the counterstatement in invalidation 500841. He cited the public interest in knowing the correct interaction between company and trade mark law in the circumstances of this case.

23. However, it seems to me that this matter would be just as relevant at the conclusion of these proceedings as it is now. Given the delays that have already occurred, there would have to be a good reason to stop the proceedings again for an appeal. Mr Parnell pointed out that the public interest matter may become moot if his client is successful for other reasons. I accept this, but do not see that as a reason to permit an appeal now. If anything, it is a reason to wait and see whether the issue subject to a potential appeal is still relevant at the conclusion of the proceedings. If it is not, the appeal will be a waste of time and cost. Therefore, I refused leave to appeal at this stage.

Decision dated 2 March 2017

A handwritten signature in black ink, appearing to be 'AJ', written over a horizontal line.

By Allan James, Hearing Officer

On behalf of the Registrar