

O-265-07

TRADE MARKS ACT 1994

**IN THE MATTER OF AN INTERLOCUTORY HEARING HELD
IN RELATION TO Nos. 2052091 AND 2307153 IN THE NAME OF
TAXASSIST DIRECT LIMITED AND APPLICATIONS FOR
DECLARATIONS OF INVALIDITY Nos. 82650 AND 82651 BY
NASRATUL AMEEN**

TRADE MARKS ACT 1994

In the matter of an Interlocutory Hearing in relation to a request by TaxAssist Direct Limited for an extension of time request within which to file evidence in support of the trade mark registrations Nos. 2052091 and 2307153 in invalidation proceedings Nos. 82650 and 82651 and objection to the request together with a request by the applicant for invalidation Nasratul Ameen to have the registered proprietor's evidence struck out.

Background

1. Trade mark nos. 2052091 and 2307153 are registered in the name of Taxassist Direct Limited for the following services in Class 35: Accountancy Services.
2. The trade marks are as follows:

2052091



2307153



3. Trade mark no. 2052091 was applied for on 18 January 1996 and proceeded to registration on 11 October 1996. Trade mark no. 2307153 was applied for on 3 August 2002 and proceeded to registration on 21 March 2003.
4. On 5 October 2006 Nasratul Ameen (hereafter NA) applied for a declaration of invalidity against both registrations. The statement of case accompanying each application set out the grounds of the action as being that the trade mark registrations were contrary to the provisions of Section 5 (4) (a) of the Trade Marks Act. There was then a very brief exchange of correspondence between NA and the Registry which I do not need to summarise. The Registry served a copy of each Form TM26(I) on the registered proprietor on 23 October 2006. The accompanying letter informed the registered proprietor that a period of six weeks, expiring on 4 December 2006, was allowed for him to file a Form TM8, notice of defence and counter statement, if he wished to continue with the registrations.
5. On 1 November 2006, Alpha and Omega (hereafter AO) on behalf of the registered proprietor, filed a Form TM8, notice of defence and counter statement, for each trade mark registration and the proceedings were joined.
6. On 9 November 2006 the Registry served a copy of each Form TM8, notice of defence and counter statement, on the applicant NA. In accordance with Rule 33A(1)(a) of the Trade Marks Rules 2000 (as amended) NA was informed that a period of six weeks, expiring on 21 December 2006, was allowed for the filing of evidence in support of the applications.
7. On 21 December 2006 NA submitted a Form TM54, notice of giving evidence, together with a number of items of evidence and also a Form TM9, request for an extension of time. An additional period of four weeks was requested so as to enable NA to complete the submission of all the evidential material required to support the applications for invalidation.
8. The Registry issued, on 19 January 2007, a preliminary view indicating that the extension of time was granted until 10 January 2007 subject to any objection from AO. No request for a hearing was received.
9. The Registry's letter of 19 January 2007 also informed the parties that NA had, on 10 January 2007, submitted the remainder of the evidential material. In accordance with Rule 33A(4) of the Trade Mark Rules 2000 (as amended), AO were informed that a period of six weeks, expiring on 21 February 2007, was allowed for the filing of evidence in support of the registered trade marks.
10. On 19 February 2007 AO filed Forms TM54, notice of giving evidence, accompanied with the evidence in support of the registrations. AO also submitted a covering letter within which they made submissions on the evidence submitted by NA.
11. On 20 March 2007 the Registry wrote to AO acknowledging the receipt of the Forms TM54 and the evidence submitted. The Registry informed AO that a formalities check of the evidence had identified a number of irregularities which would need to be addressed before the evidence could be admitted. The irregularities

included witness statements which were minus the header sheets which were required to identify the relevant proceedings and exhibits; witness statements which had been submitted without original signatures; evidence filed from previous proceedings which had been submitted without a new statutory declaration or witness statement . The evidence was returned and AO were asked to request retrospective extension of time requests on Form TM9, together with the appropriate fees, for each case. A period of one month, expiring on 20 April 2007, was allowed within which to return the evidence together with the Forms TM9 and fees.

12. On 16 April 2007 NA wrote to the Registry objecting to AO being allowed any further time within which to correct the deficiencies and resubmit their evidence.

13. On 20 April 2007 AO submitted Forms TM54, notice of giving evidence, with their amended evidential material together with Forms TM9, request for an extension of time, and fees. AO requested a retrospective extension of time of one month within which to submit the amended evidence.

14. The Registry, on 14 May 2007, issued a preliminary view indicating that the extension of time request from AO, until 20 April 2007, was granted subject to any objections from NA. The Registry also informed NA that the submissions made in his letter of 16 April 2007 in which he objected to the time being allowed to AO to correct the deficiencies in their evidence, had been noted. However, the decision to allow AO additional time within which to correct the irregularities was in line with the Registry's published practice as set out in the Law Section Work Manual at Section 7.4 Defects in Evidence.

15. The Registry on 14 May 2007 informed AO that whilst the preliminary view was to grant the extension of time until 20 April 2007, there still remained irregularities within the resubmitted evidence which would have to be addressed before the evidence could be admitted. This included, a missing witness statement and, as the proceedings had not been consolidated, the evidence needed to be filed separately on each case. The evidence was returned and AO were again asked to request retrospective extensions of time on Forms TM9, together with the fees, for each case. A period of 14 days, expiring 28 May 2007, was allowed within which to return the amended evidence together with Forms TM9 and the fees.

16. On 17 May 2007 AO submitted Forms TM9 together with the fees and the amended evidence.

17. On 21 May 2007 NA asked for an interlocutory hearing to be appointed. The issues to be decided at the hearing were the Registrar's preliminary view of 14 May 2007 which allowed AO until 20 April 2007 within which to file retrospective extensions of time; AO's request of 17 May 2007 for further retrospective extensions of time for each case and, in addition, NA's request of 21 May 2007 to have all of the evidence submitted by AO struck out.

18. The hearing took place before me on 9 August 2007. At the hearing, which was via the telephone, the applicant, Nasratul Ameen represented himself and Mr Brown, on behalf of AO, represented the registered proprietor.

The Hearing and Skeleton Arguments

19. Prior to the hearing I received skeleton arguments from Mr Brown. At the hearing Mr Ameen provided a detailed oral submission. The main points arising from the parties submissions and arguments were as follows:

The Registered Proprietor (AO)

- the Registry's decision of 14 May 2007 to grant an extension of time within which to correct certain irregularities in the submitted evidence was in line with the guidance provided by the Appointed Persons in Siddiqui's Application BL O-481-00 and LIQUID FORCE (1999) RPC 429;
- that it was common practice to allow for defects in evidence to be corrected as detailed in The Law Section Work Manual Section 7.4 Defects in Evidence;
- that the trade mark rules had been drafted to take into account the fact that there will be occurrences of clerical or other minor errors, and to allow some flexibility to deal with such cases without jeopardising the whole proceedings;
- that the applicant's request to have all the evidence and documents submitted by AO to be struck out should be rejected as all the evidence was admissible;
- that the applicant had, in earlier proceedings, benefited from the Registrar's discretion when he was allowed to correct irregularities contained in his Form TM8. The applicant had also requested and been granted an extension of time within which to file his evidence. The evidence was then filed without a Form TM54 and the applicant was further granted a retrospective extension of time within which to correct this error. In view of this, it would only be right for the same consideration to be given to the registered proprietor in these proceedings;
- that the two cases be formally consolidated.

The Applicant (NA)

- the registered proprietor has employed a qualified and experienced trade mark attorney and there should be no excuse whatsoever for a professional representative to submit inadmissible evidence and documents;
- the evidence submitted did not consist of a large amount of material and so it is difficult to accept that in preparing so few documents mistakes and irregularities could naturally occur;
- the trade mark attorney has clearly behaved in a careless and cavalier manner and there was no merit in the extension of time request and to allow any additional time would be grossly unfair;

- the Law Section Work Manual at Section 7.4 refers to any defect being brought to the attention of the filer and an opportunity being given to put matters in order. It does not make provisions for filers to be given multiple opportunities to correct defects in their evidence;
- that LIQUID FORCE (1999) RPC 429 was not a relevant authority as the decision dealt with settlement negotiations in an opposition case whereas these were invalidation proceedings.
- that Siddiqui's Application BL O-481-00 was also not a relevant authority as the decision was in respect of an appeal to the Appointed Person following a decision by a Hearing Officer in opposition proceedings;
- the reference, by Mr Brown, to earlier proceedings should not be taken into account;
- the registered proprietor's attorney had submitted a number of witness statements and documents all of which had failed to contradict the applicant's evidence and therefore the evidence was clearly irrelevant;
- there was an obvious conflict of interest in these proceedings as the attorney acting for the registered proprietor had provided a witness statement on behalf of the registered proprietor;
- there were issues of reliability in respect of the internet search, for the term "taxassist" that had been undertaken by the registered proprietor's attorney when using the 'msn' search facility.

The Decision at the Hearing

20. At the conclusion of the hearing I informed the parties that I would issue my decision in writing. The relevant part of my letter of 10 August 2007 reads:

' I have considered the skeleton arguments filed, the submissions made by both parties and all the circumstances surrounding the case and it is my decision that I am going to allow the registered proprietor's request for the two extensions of time to allow them to rectify the errors made in preparing their evidence and allow them the opportunity to resubmit the material. I have also decided not to agree with the applicant's request to strike out the registered proprietor's evidence. In view of the similarities between the two applications, I have decided that it would be appropriate to have the proceedings consolidated.

In reaching my decision to allow the registered proprietor additional time within which to file the amended evidence I have taken into account the need to ensure that the proceedings are dealt with expeditiously and fairly to all the parties. I have also taken into account the consequences for the registered proprietor if I refused the extension of time requests. If the additional time was not granted then the registered proprietor would be denied the opportunity to submit all their evidence to oppose the application and defend their registered rights. Whilst I acknowledge the applicant's view that a professional representative should be in a position to submit

evidence without irregularities and defects, mistakes are made and when errors occur, the registry will allow parties time within which to correct any defects. In the interest of fairness and justice I believe that the extension of time requests should be allowed.

In respect of the applicant's request to have the registered proprietor's evidence struck out, I have decided, again in the interest of fairness and justice, that it would be inappropriate to take this course of action at this stage in the proceedings. I acknowledge that the applicant has expressed his dissatisfaction with the evidence that has been submitted on behalf of the registered proprietor. However, the applicant will have the opportunity to submit his reservations and criticisms about the content of the material submitted when he files his evidence in reply under Rule 33A(5) of the Trade Marks Rules 2000 (as amended), or when submitting written or oral submissions before the final determination is made by the Hearing Officer. This will afford the applicant the opportunity to submit any evidence he feels will cast doubts on the registered proprietor's evidence and will ensure that all the available evidence will be before the Hearing Officer which will assist him when making his final determination on the case.

Given the similarities of the two sets of proceedings, I agree that it would be appropriate for the two applications for invalidation to be consolidated.'

21. On 24 August 2007 NA filed a Form TM5 requesting a statement of reasons for my decision. This I now give.

Decision

22. Both parties referred me to a number of authorities which are relevant to the consideration of requests for extensions of time. I was informed that the Registrar has the discretion to grant or refuse requests for additional time and that in exercising that discretion I had to consider the overriding objective to ensure fairness to the parties. I was also required to ensure that I was satisfied that the reasons given for the extension of time were both strong and compelling. I was asked by NA to take into account the fact the registered proprietor was being professionally represented and that this should count against them when deciding whether to exercise the Registrar's discretion in AOs favour. AO referred me to the fact that the applicant had already benefited, in earlier proceedings, from the use of the Registrar's discretion in respect of the granting of additional time for filing evidence. Natural justice meant that his client should now be the recipient of a similar decision in his favour.

In respect of the request to strike out all of the registered proprietor's evidence, AO rejected NA's claim that the evidence submitted was irrelevant. I was reminded that the Registry had already deemed all of the material to be admissible and any decision to strike out any, or all, of the evidence would be grossly prejudicial and a clear breach of the registered proprietor's right to defend his registered trade marks.

The Law

Rule 33A states:

Application for invalidation: evidence rounds (Form TM54)

33A.

- (1)...
- (2)...
- (3)...

(4) The proprietor may file any evidence he may consider necessary to adduce in support of his case –

- (a) within six weeks of the evidence being filed under paragraph (1); or
- (b) within six weeks of the registrar sending him a notification that a direction has been give under paragraph (2).

(5) Where the proprietor files evidence under paragraph (4), the applicant may, within six weeks of such evidence being filed, file any evidence in reply; such evidence shall be confined to matters strictly in reply to the proprietor's evidence.

- (6)...
- (7)...
- (8)...
- (9)...

Rule 68 states:

Alteration of time limits (Form TM9)

68. – (1) The time or periods –

- (a) prescribed by these Rules, other than the times or periods prescribed by the rules mentioned in paragraph (3) below, or
- (b) specified by the registrar for doing any act or taking any proceedings,

subject to paragraph (2) below, may, at the written request of the person or party concerned, or on the initiative of the registrar, be extended by the registrar as she thinks fit and upon such terms as she may direct.

(2) Where a request for the extension of a time or periods prescribed by the Rules –

- (a) is sought in respect of a time or periods prescribed by rules 13 to 13C, 18, 23, 25, 31, 31A, 32, 32A, 33, 33A or 34, the party seeking the extension shall send a

copy of the request to each person party to the proceedings;

(b) is filed after the application has been published under rule 12 above the request shall be on Form TM9 and shall in any other case be on that form if the registrar so directs.

(3) The rules excepted from paragraph (1) above are rule 10A(2) (failure to file address for service), rule 11 (deficiencies in application), rule 13(1) (time for filing opposition), rule 13A(1) (time for filing counter-statement), rule 23(4) (time for filing opposition), rule 25(3) (time for filing opposition), rule 29 (delayed renewal), rule 30 (restoration of registration), rule 31(3) (time for filing counter-statement and evidence of use or reasons for non-use), rule 32(3) (time for filing counter-statement), rule 33(6) (time for filing counter-statement), and rule 47 (time for filing opposition).

(4) Subject to paragraph (5) below, a request for extension under paragraph (1) above shall be made before the time or period in question has expired.

(5) Where the request for extension is made after the time or period has expired, the registrar may, at her discretion, extend the period or time if she is satisfied with the explanation for the delay in requesting the extension and it appears to her be just and equitable to do so.

(6) Where the period within which any party to any proceedings before the registrar may file evidence under these Rules is to begin upon the expiry of any period in which any other party may file evidence and that other party notifies the registrar that he does not wish to file any, or any further, evidence the registrar may direct that the period within which the first mentioned party may file evidence shall begin on such date as may be specified in the direction and shall notify all parties to the dispute of that date.

(7) Without prejudice to the above, in cases of any irregularity or prospective irregularity in or before the Office or the registrar which –

(a) consists of a failure to comply with any limitation as to times or periods specified in the Act or these Rules or the old law as that law continues to apply and which has occurred or appears to the registrar as likely to occur in the absence of a direction under this rule, and

(b) is attributable wholly or in part to an error, default or omission on the part of the Office or the registrar and which it appears to her should be rectified,

she may direct that the time or period in question shall be altered in such manner as she may specify upon such terms as she may direct.

23. The breadth of the discretion afforded to the Registrar was dealt with by the Appointed Person in LIQUID FORCE (1999) RPC 429. The Appointed Person held that the Registrar's discretion was as broad as that of the Court and where relevant circumstances were brought forward, the Registrar could exercise that discretion. The Appointed Person also held that, whilst it was not always determinative if the

evidence was available at the time at which the request for an extension of time fell to be decided, it was nevertheless an important factor to be taken into consideration.

24. In Siddiqui's Application (BL O-481-00) the Appointed Person said:

' 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.'

25. However, this is not to be taken as meaning that the Registrar will always, when the evidence has been filed, favour the party seeking the indulgence. Nevertheless, it must surely be in the interest of all the parties to the proceedings that the dispute is resolved expeditiously, fairly and by saving expense wherever and whenever possible.

26. In reaching my decision to uphold the Registry's preliminary view's to allow the extensions of time requests, I took account of the guidance provided by the Appointed Persons in the cases referred to at paragraphs 19 and 20.

27. At the hearing, NA, submitted that a qualified trade mark professional must be familiar with all of the rules, regulations and practices pertaining to the admissibility of evidential material in proceedings before the Registrar. He said that it was unacceptable, as in this case, that when obvious and careless mistakes had been found to be made that the filer was allowed to claim that the mistakes were as a result of simple human errors and that time was then granted within which to correct those defects. AO, submitted, that to expect even a qualified professional to never make a mistake is unrealistic. Mistakes can and do occur and that when they are made, the rules clearly allow for such errors to be corrected.

28. There is clearly some merit in both of the submissions made. Looking at the issue from NA's position, it is reasonable to ask the question as to whether AO had acted in a completely diligent fashion when preparing and submitting the registered proprietor's evidence. The registry was, after all, required to return the evidence on two separate occasions for correction. It would not be unreasonable to expect experienced professional representatives to be able to submit evidential material in accordance with the rules and regulations that govern invalidation proceedings. However, even the most eminent and experienced practitioner is not immune from the occasional mistake. In deciding to allow the extensions of time I took the view that mistakes can and do occur. I did not have before me any evidence to support NA's submission that AO had, in preparing and submitting the defective evidence, behaved in a cavalier or careless manner. To deny the registered proprietor the opportunity to submit the evidence to defend his property right, as a result of errors made by his professional representatives, would not only be grossly unfair but also contrary to all principles of natural justice. I can, up to a point, understand the annoyance and frustration felt by NA, however to agree to his request, and refuse the extensions of

time, would represent a disproportionate response to the nature of the errors made and possible inconvenience caused.

29. Although AO was required to request two retrospective extensions of time within which to correct the irregularities contained within the evidence, the periods of time requested, and granted, were not in my opinion excessive. The errors were swiftly corrected and the material returned to the Registrar in a timely manner ensuring that the delay in moving the proceedings to the next stage was kept to a minimum.

30. It is always the Registrar's view that, in contested proceedings, where there is an issue to be resolved and the parties are intent on defending their position, that it is clearly preferable to allow the proceedings to continue to a main hearing where the Hearing Officer can then decide the case with the benefit of all the evidence and submissions before him. This is not to be taken as meaning that the Registrar will always, when the evidence has been filed, favour the party seeking the indulgence. Nevertheless, it must surely be in the interest of all the parties to the proceedings that the dispute is resolved as expeditiously and as fairly as possible. In my view, the facts of the case were such that I should uphold the preliminary views given and allow the extensions of request.

31. NA also submitted, at the hearing, that all of the evidence submitted by the registered proprietor was irrelevant and should therefore be struck out. Having listened and noted all of the submissions made I declined to take the course of action suggested by NA. These proceedings will ultimately decide whether the registered proprietor is to remain the owner of two registered trade marks. The removal of a proprietary right is a very serious matter which may have severe legal and financial consequences for the registered trade mark owner. It is clearly in keeping with the Tribunal's role in ensuring fairness, equality of treatment and adherence to all the principles of natural justice, that the registered proprietor is permitted to submit the evidence that he feels will best support his case and enable him, in his attempt, to defeat the applications for invalidation. Irrespective of the reservations or criticisms that NA may have about the registered proprietor's evidence, I do not believe that it would be right or proper that I should deny the registered proprietor the opportunity to mount the defence he wishes. Nor do I believe that, in allowing the evidence into the proceedings, that this will somehow result in the applicant's invalidation applications being fatally disadvantaged.

32. Under the provisions of Rule 33A(5) of the Trade Marks Rules 2000 (as amended), an applicant for invalidation may file any evidence in reply to the registered proprietor's evidence. This is the mechanism by which NA can cast his doubts on the validity and relevance of the registered proprietor's evidence. By utilising the provisions of this rule, NA will have the opportunity to place before the Hearing Officer all his reservations, objections and criticisms to the registered proprietor's evidence. It will then be a matter for the Hearing Officer to decide how much weight and consideration should be placed on all, or part, of the evidence submitted into the proceedings. This will ensure that, at final determination, the Hearing Officer will have the benefit of all the facts, evidence and submissions available to assist him in reaching his decision.

33. AO requested, when they submitted their skeleton arguments, that the two cases be consolidated. As NA did not object to this request, I agreed.

Costs

34. Neither party requested an award of costs to be made in their favour and I decided not to make an award.

Dated this 13th day of September 2007

Raoul Colombo
For the Registrar,
The Comptroller General