O-004-18

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION Nos. 3096966 AND 3096964
IN THE NAME OF NEWSCO INSIDER LIMITED**

**AND IN THE MATTER OF OPPOSITIONS Nos. 404402 AND 404403 THERETO
BY BUSINESS INSIDER INC.**

**AND IN THE MATTER OF AN APPEAL TO THE APPOINTED PERSON
BY THE OPPONENT
AGAINST A DECISION BY MR M. BRYANT DATED 24 JANUARY 2017**

DECISION

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1. This is a preliminary issue in the matter of the above appeal. It concerns an objection by Business Insider, Inc. ("the Appellant") to Newsco Insider Limited ("the Respondent") being represented at the hearing of the substantive appeal before me by an advocate who is himself appointed as an Appointed Person under the Trade Marks Act 1994 ("the Act").

Background

2. On 2 March 2015, the Respondent applied to register under numbers 3096966 and 3096964 the designations BUSINESS INSIDER and INSIDER respectively for use as trade marks in the UK.

3. The goods and services for which registration was sought were as follows[1]:

Class 9
Software; computer software; application software; electronic publications; downloadable publications; downloadable audio-visual recordings; downloadable audio files; downloadable image files

Class 16
Paper; cardboard; printed matter; printed publications; newspapers; magazines; newsletters; supplements; periodicals; brochures; books; posters; photographs; pictures; calendars; diaries; stationery

Class 35
Advertising services; publicity services; marketing services; promotional services; provision of advertising space in publications; compilation of directories; subscription services; commercial information; business information; arranging and conducting trade shows, exhibitions and events; information, advisory and consultancy services relating to the aforesaid services; all the aforesaid services also provided online from a computer database or via the internet

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[1] Identical for both applications.

Class 41
Publishing services; magazine publication; publication of printed matter; electronic publication; news reporting services; education and entertainment information services; arranging and conducting conferences, exhibitions, seminars and events; all the aforesaid services also provided online from a computer database or via the internet

4. On 28 May 2015, the Appellant opposed the applications:

   1) Application number 3096966, BUSINESS INSIDER, under Section 3(1)(b) and (c) (non-distinctive/descriptive) and Section 3(6) (application in bad faith) of the Act.

   2) Application number 3096964, INSIDER, under Section 3(1)(a), (b), (c) and (d) (not capable of distinguishing/non-distinctive/descriptive/generic) and Section 3(6) (application in bad faith) of the Act.

5. The Respondent took issue with the grounds for refusal, and to any necessary extent relied on acquired distinctiveness through use (proviso to s. 3(1)).

6. The oppositions were consolidated by the UKIPO with both parties filing evidence, and came to be heard by Mr. Mark Bryant, for the Registrar, on 17 November 2016.

7. At that hearing, the Appellant was represented by Ms. Emma Himsworth of Queen's Counsel instructed by Pillsbury Winthrop Shaw Pittman LLP ("Pillsbury"). Mr. James Mellor of Queen's Counsel instructed by Haseltine Lake LLP ("Haseltine Lake") appeared for the Respondent.

8. Both Ms. Himsworth and Mr. Mellor are appointed by the Lord Chancellor to hear and decide appeals from decisions of the Registrar under the Act (ss. 77 and 76).

The Hearing Officer's decision

9. The Hearing Officer issued his written decision under reference number BL O/021/17 on 24 January 2017. In brief:

   (a) The objection against INSIDER under Section 3(1)(a) was not pursued.

   (b) It was conceded that if the Section 3(1)(c)/(d) objections failed so too would the objections under Section 3(1)(b).

   (c) The objections centred on news publications. The Hearing Officer would focus his consideration on those goods whilst bearing in mind the other goods and services listed.

   (d) The relevant public constituted the public and businesses.

   (e) The marks were allusive of the information (i.e., "inside" information/business information) contained in, but did not describe the characteristics of, news

publications. That was also true of the other goods and services where connections were remoter.

(f) The Section 3(1)(c) ground failed in its entirety against BUSINESS INSIDER and INSIDER.

(g) The evidence failed to demonstrate that INSIDER was customary in the language of the trade within the meaning of Section 3(1)(d)[2].

(h) There was no basis in the claim of bad faith under Section 3(6). To the contrary, the applications were made to protect legitimate earlier rights.

The Appeal

10. On 21 February 2017, the Appellant filed Notice of appeal to the Appointed Person against the Hearing Officer's decision under Section 76 of the Act.

11. The grounds of appeal were confined to the Hearing Officer's applications of Section 3(1)(c) and (b) (BUSINESS INSIDER and INSIDER). The Hearing Officer's determinations under Section 3(1)(d) (INSIDER) and Section 3(6) (BUSINESS INSIDER and INSIDER) were not contested.

12. On receipt of the appeal papers I was told that Ms. Himsworth would not be representing the Appellant on appeal.

13. In subsequent correspondence conducted through the Government Legal Department ("GLD")[3] I learnt that:

(a) The Appellant was to be represented at the appeal hearing by Mr. Guy Hollingworth of Counsel[4].

(b) The Respondent intended to continue its representation by Mr. Mellor [5].

14. On 7 June 2017, I had issued directions as above drawing the parties' attentions to the decision of Mr. Geoffrey Hobbs QC sitting as the Appointed Person in *Munroe's Application*, BL O/220/08[6]. In accordance with the established practice of the Appointed Person since the issues identified and concerns raised by Mr. Hobbs in *Munroe*, I pointed out that should the Respondent wish to be represented at the appeal hearing by Mr. Mellor, who was appointed as an Appointed Person, then the formal consent of the Appellant would be required. Indeed, the need for such consent appeared to be recognised by the Respondent in a letter to the GLD from its representatives, Haseltine Lake, dated 9 June 2017.

15. By a letter dated 13 June 2017, the Appellant through its representatives Pillsbury informed me that:

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[2] BUSINESS INSIDER was not opposed under Section 3(1)(d).
[3] Copied to the parties (as appropriate) and the Registrar.
[4] Letter from Pillsbury to GLD dated 13 June 2017.
[5] Letter from Haseltine Lake to GLD dated 9 June 2017.
[6] [2009] RPC 16

> "…. the Appellant does not consent to the Respondent being represented by an Appointed Person before the Appointed Person and as such does not consent to Mr James Mellor Q.C. representing the Respondent at the appeal hearing.
>
> As noted in your letter [GLD letter, 7 June 2017] Ms Emma Himsworth Q.C. who appeared for the Appellant at the first instance hearing before the Registrar will not be appearing for the Appellant on appeal, the Appellant having indeed selected new counsel to represent it at the appeal hearing who is not an Appointed Person."

16. At my invitation, the Respondent through its representatives Haseltine Lake in a letter dated 13 July 2017, gave its response to Pillsbury's first paragraph cited above. In brief:

    (i) The necessity for/relevance of the Appellant's consent was denied.

    (ii) Both parties were represented before the Registrar without objection by Counsel who sit as the Appointed Person.

    (iii) The Appellant's choice of new Counsel could be an attempt to force the Respondent to change its Counsel.

    (iv) Reasons why the Respondent was unwilling to change its Counsel included: (a) his familiarity with the case/arguments; (b) the outcome at first instance; (c) cost; (d) lack of reason to do so.

    (v) Mr. Mellor felt obliged to continue to represent his client, and saw no reason not to do so.

    (vi) Somewhat surprisingly, that *Munroe* indicated that there was no objection to one Appointed Person appearing before another on appeal. I think it was accepted on both sides by the preliminary hearing that this was an incorrect interpretation of the observations of Mr. Hobbs in *Munroe* (the point at issue having not been decided in that case).

17. On 14 July 2017, I issued Directions through the GLD inviting sequential submissions from the Appellant, the Respondent and the Registrar on the objection to Mr. Mellor representing the Respondent at the hearing of the substantive appeal, which was clearly a live and contentious issue.

18. I indicated that I would then appoint a hearing to resolve this preliminary issue, which in the event took place on 19 September 2017.

19. In the run-up to that hearing, by Directions dated 11 September 2017, I drew the attentions of the parties and the Registrar to the following matters, which might or might not be considered relevant, and on which further submissions were invited before or at the hearing (without attachments):

“(a) Lord Chancellor's Policy on Conflict of Interest, Conduct and Discipline for Courts Based Fee Paid Judicial Office Holders, March 2015 (see attached)

(b) Guide to Judicial Conduct, Published in March 2013, amended in July 2016 (see attached)

(c) Adjudicator Guidance Note, Guidance for Part-Time Adjudicators, Guidance Note 1, November 2001 - https://www.judiciary.gov.uk/publications/immigration-and-asylum-tribunal-rules-and-legislation/

(d) *PA Barrister v. General Council of the Bar* [2005] EW Misc B1 (InnsC) - http://www.bailii.org/ew/cases/Misc/2005/B1.html

(e) RA Note on the Annual Meeting of the EUIPO with the Appointed Persons, 24 - 25 September 2017

(i) In my role as the Appointed Person, I have accepted an invitation to attend the Annual Meeting of the EUIPO with the UK Appointed Persons in Alicante, Spain from 24 - 25 September 2017.

(ii) The event commences with a dinner on the night of 24 September 2017 hosted by the EUIPO, followed by a full day meeting on 25 September 2017 with the EUIPO Boards of Appeal and other members of the EUIPO.

(iii) I shall be attending both the dinner and the full day meeting.

(iv) As presently advised, 7 of the other Appointed Persons are attending the meeting including Mr. Mellor. A representative(s) of the UKIPO is also likely to attend the meeting, possibly Mr. James.

(v) I have regularly attended such events in the past since my appointment as the Appointed Person in 2001.

(vi) Matters on the draft agenda for discussion at the full day meeting on 25 September 2017 include decisions of the CJEU/national courts with relevance to the EU harmonised trade marks laws and consequent practices, and imminent changes to the EUTM Regulations.

(vii) The draft topics presently put forward for discussion appear to cover issues of distinctiveness and bad faith.

(viii) The format of the event on 24 - 25 September 2017 follows that of previous such meetings, which I have attended in the past.

(f) The scope and effect of Articles 47, 51 - 53 of the Charter of Fundamental Rights of the EU (2016/C 202/2).

(g) Whether I should make a reference for a ruling to the CJEU pursuant to the provisions of Article 267 of the Treaty on the Functioning of the EU (2016/C 202/1)."

20. At the hearing of the preliminary issue, the Appellant was represented by Mr. Hollingworth and the Respondent by Mr. Mellor. The Registrar did not attend the oral hearing but provided me with written submissions dated 31 August 2017. I am grateful to all concerned for their submissions and further submissions.

Right to a fair hearing

European Convention on Human Rights

21. Article 6(1) of the European Convention for the Protection of Human Rights and Fundamental Freedoms, 1950 ("ECHR") relevantly provides that:

> "In the determination of his civil rights and obligations … everyone is entitled to a fair and public hearing … by an independent and impartial tribunal established by law".

22. In *Findlay v. the United Kingdom* [1997] ECHR 8 (25 February 1997) at paragraph 73, the European Court of Human Rights ("ECtHR") recalled:

> "… that in order to establish whether a tribunal can be considered as "independent", regard must be had, inter alia, to the manner of appointment of its members and their term of office, the existence of guarantees against outside pressures and the question whether the body presents an appearance of independence …
>
> As to the question of "impartiality", there are two aspects to this requirement. First, the tribunal must be subjectively free of personal prejudice or bias. Secondly, it must also be impartial from an objective viewpoint, that is, it must offer sufficient guarantees to exclude any legitimate doubt in this respect …
>
> The concepts of independence and objective impartiality are closely linked and the Court will consider them together as they relate to the present case."

23. This was echoed by Mr. Hobbs in *Munroe* where he reflected on the need to recognise that independence and impartiality were linked in a way that required each of them to be seen as necessary for the attainment of the other (para. 14).

24. Section 6 of the Human Rights Act 1998 ("the HRA") obligates the Appointed Person in hearing appeals from decisions of the Registrar under Section 76 of the Act, to ensure that such appeals are so far as possible determined in conformity with Article 6 of the ECHR[7].

[7] Section 6(1) HRA makes it "unlawful for a public authority [including a court or tribunal – s. 6(3)] to act in a way which is incompatible with a Convention right". A complainant may rely on the Convention right in legal proceedings including an appeal against the decision of a court or tribunal (s. 7(1)(b) and (6)(b)).

<u>*EU Charter of Fundamental Rights*</u>

25. It was accepted by Counsel that the Appointed Person is a tribunal "implementing EU law" (Case C-259/04, *Elizabeth Florence Emanuel v. Continental Shelf 128 Ltd* [2006] ECR I-3089, paras. 18 – 25, *R (on the application of Eritrea) v. Secretary of State for the Home Department* [2014] UKSC 12, para. 62, *The Rugby Football Union v. Consolidated Information Services Limited* [2012] UKSC 55, para. 28: "within the material scope of EU law").

26. As such the Appointed Person tribunal is duty bound by Article 51(1) of the Charter of Fundamental Rights of the European Union (2016/C 202/2) ("the Charter") to give effect[8] to *inter alia* the following right enshrined in Article 47 of the Charter:

> "… Everyone is entitled to a fair and public hearing … by an independent and impartial tribunal previously established by law …".

27. Article 47 reaffirms amongst other things the <u>Right to a fair trial</u> in Article 6 of the ECHR (Preamble to the Charter, recital 5).

28. In Case C-308/07, *Koldo Gorostiaga Atxalandabaso v. European Parliament* [2009] ECR I-1059, the Court of Justice of the European Union ("the CJEU") gave this guidance for the application of the right:

> "41. The right to a fair trial, which derives inter alia from Article 6(1) of the European Convention for the Protection of Human Rights and Fundamental Freedoms, constitutes a fundamental right which the European Union respects as a general principle under Article 6(2) EU …
>
> 42. Such a right necessarily implies access for every person to an independent and impartial tribunal. Thus, as the Court has had occasion to state, the existence of guarantees concerning the composition of the tribunal are the corner stone of the right to a fair trial, compliance with which must in particular be verified by the Community judicature if an infringement of that right is complained of and the challenge on that point does not appear from the outset manifestly devoid of merit …
>
> […]
>
> 46. Furthermore, it must be observed that there are two aspects to the requirement of impartiality. In the first place, the tribunal must be subjectively impartial, that is, none of its members must show bias or personal prejudice, there being a presumption of personal impartiality in the absence of evidence to the contrary. In the second place, the tribunal must be objectively impartial, that is to say, it must offer guarantees sufficient to exclude any legitimate doubt in this respect …".

[8] Subject only to proportional, necessary and genuine limitations imposed by law including to protect the rights and freedoms of others, Article 52 Charter.

UK law

29. Both sides also accepted that (since *Magill v. Porter* [2001] UKHL 67, paras.100 – 103) the common law test of bias was the same as the requirements for structural independence and objective impartiality under Article 6(1) of the ECHR.

30. Mr. Hollingworth referred me to the summary by Lord Woolf CJ in *Taylor v. Lawrence* [2002] EWCA Civ. 1567, at paragraph 60:

> "… It can now be said that the approach should be:
>
>> "The court must first ascertain all the circumstances which have a bearing on the suggestion that the judge was biased. It must then ask whether those circumstances would lead a fair-minded and informed observer to conclude that there was a real possibility that the tribunal was biased …"

31. Mr. Mellor on the other hand commended the statement of principles by Sir Terence Etherton C in *Resolution Chemicals Ltd v. H Lundbeck A/S* [2013] EWHC 1515, at paragraph 35:

> "… First, the test of apparent bias is whether the fair-minded and informed observer, having considered the facts, would conclude that there is a real possibility that the tribunal was biased: *Porter v Magill* [2001] UKHL 67, [2002] AC 357 at [103] (Lord Hope). There is no difference between the common law test of bias and the requirements of an independent and impartial tribunal under Article 6(1) of the European Convention of Human Rights ("the Convention"): *Lawal* at [14] (Lord Steyn). Secondly, underlying both Article 6 of the Convention and the common law principles is the fundamental consideration that justice should not only be done but should manifestly and undoubtedly be seen to be done: *R (McCarthy) v Sussex Justices* [1924] 1 KB 256, 259. Thirdly, the fair-minded and informed observer is not unduly sensitive or suspicious, but neither is he or she complacent: *Helow v Secretary of State for the Home Department* [2008] UKHL 62, [2008] 1 WLR 2416, at [2] (Lord Hope). Fourthly, the facts and context are critical. Each case turns on an intense focus on the essential facts of the case: *Man O' War Station Ltd v Auckland City Council* [2002] UKPC 28 at [11] (Lord Steyn). Fifthly, if the fair-minded and informed observer would conclude that there is a real possibility that the tribunal will be biased, the judge is automatically disqualified from hearing the case. The decision to recuse in those circumstances is not a discretionary case management decision reached by weighing various relevant factors in the balance. Considerations of inconvenience, cost and delay are irrelevant: *AWG Group Ltd* at [6] (Mummery LJ)."

32. Returning to *Taylor v. Lawrence*, Mr. Mellor drew my attention to the discussion by Lord Woolf of the close relationship between the judiciary and the legal profession including judges and advocates dining together at the Inns of Court, and the selection of judges from barristers' chambers and firms of solicitors especially in specialist areas of litigation where the numbers of those practising may be relatively small. The

informed observer could be expected to be aware of those legal traditions (paras. 61 – 63).

33. However, what the public might have been content to accept previously might not necessarily be the case today (*Lawal v. Northern Spirit Ltd* [2003] UKHL 35, para. 22).

Systemic or personal

34. An early difference between the parties was whether the objection was systemic or personal. I considered it to be systemic.

35. I agreed with Mr. Hollingworth that the issue more generally concerns whether this tribunal can be said to be Article 6 of the ECHR-compliant in a situation where one Appointed Person appears as advocate for a party before another Appointed Person, and not whether there was any personal bias between myself and Mr. Mellor, which the parties agreed there was not.

36. I drew support in this first from *Lawal* (above). The issue in that case was:

> "… whether, in circumstances where a Queen's Counsel appearing on an appeal before the Employment Appeal Tribunal had sat as a part-time judge with one or both of the lay members (called "wing members") hearing that appeal, the hearing before the appeal tribunal could be said to be compatible with Article 6 of the [ECHR]. It is not suggested that there was actual bias …" (para. 2).

37. Lord Steyn delivering the Opinion of the Appellate Committee of the House of Lords classified the challenge in these terms:

> "… The attack is on the system. If it is well founded the current practice must come to an end …" (para. 3, and see paras. 5 and 20).

38. Second, in *Munroe*, Mr. Hobbs pithily made the following systemic observations:

> "34. If every member of the tribunal (including the Senior Appointed Person by whom appeals are allocated for hearing) is in principle entitled to represent any party to an appeal brought before the tribunal under Section 76, it would follow that all parties to any such appeal can, in principle, be represented by members of the tribunal entrusted with the task of administering justice in relation to those appeals. The members of the tribunal may find themselves acting by turn as the tribunal, as representatives of appellants and as representatives of respondents. Adversarial comment by members upon their own and each other's previous decisions would become a matter for members acting as the tribunal to take into consideration as part of the appeal process.
>
> 35. Parliament would on that basis have legislated for the establishment of a judicial tribunal whose members can all, as a general rule, accept instructions to represent parties in proceedings on appeal to each other."

Consent

39. The Respondent relied on other appeal hearings in which one Appointed Person had appeared as advocate in front of another Appointed Person apparently without any suggestion of bias.

40. The recent appeal in *DECADRON*, BL O/348/17 was cited as a particular example. In that case Ms. Amanda Michaels, who is herself appointed as an Appointed Person, instructed by Withers & Rogers LLP represented the opponent/appellant in front of Ms. Himsworth, who was sitting as the Appointed Person.

41. Mr. Hollingworth advised me that he had enquired into the position, and in *DECADRON* the normal practice of the Appointed Person since *Munroe* (as described at para. 14 above) was followed and the applicant/respondent provided its written consent to Ms. Michaels appearing at the appeal hearing and arguing the case for the opponent/appellant[9]. The Respondent sensibly accepted this explanation.

42. It is quite clear that a party can waive its right to object in such situations by giving its informed consent (*Locabail (UK) Ltd v. Bayfield Properties Ltd v. Bayfield Properties Ltd* [1999] EWCA Civ 3004, paras. 15, 26, *Uma Bhardwaj v. FDA* [2016] EWCA 80, para. 55).

Strategy

43. It is convenient to mention here that Mr. Mellor also accepted Mr. Hollingworth's explanation that the reason for the change of Counsel on the Appellant's side was not down to some devious strategy but because, since *Munroe*, Ms. Himsworth does not consider it appropriate for her to appear in front of an Appointed Person on an appeal (transcript, p. 3).

Reference

CJEU

44. In implementing EU law (the absolute grounds for refusal/invalidity of registration), this tribunal is bound to give effect to the requirements in Article 47 of the Charter, which it is accepted mirror those in Article 6(1) of the ECHR.

45. Counsel were unable to refer me to any authority of the Strasbourg or Luxembourg courts that pertained directly to the preliminary issue in hand.

46. I do not consider it *acte clair* that the Appointed Person appeal tribunal, which consists entirely of part-time fee-paid judges whose decisions are final[10], can objectively be viewed as independent and impartial in a situation where each and every member of that group of judges is entitled on the one hand to hear appeals sitting as a sole judge, and on the other hand to appear as advocate/representative for the appellant/respondent on a different occasion at an appeal hearing in front of another member of that group of judges.

[9] I have taken to recording this process where applicable in the appeal decision itself, see e.g. *HUNNIES Trade Mark*, O/363/17, para. 31.
[10] Section 76(4) Act, subject only to judicial review.

47. Accordingly, I was minded make a reference of this question[11] to the CJEU for a preliminary ruling pursuant to Article 267 of the Treaty on the Functioning of the European Union ("TFEU") (OJ 2016 C 202/164)[12].

48. That said, both parties urged me to decide the issue rather than make a reference to the CJEU[13]. Moreover, Mr. Mellor ended his skeleton argument on behalf of the Respondent by stating:

> "… if the Appointed Person concludes (a) that there is or would be a real possibility of apparent bias should the substantive appeal go ahead with the current representation but also (b) that the Appeal should not be referred to the High Court [see below], then the writer would voluntarily withdraw."

49. I decided therefore to proceed to my own determination by having as required an intense focus on the facts of this case insofar as they related to the Appointed Person system[14] (*Man O'War Station Ltd v. Auckland City Council* [2002] UKPC 28, para. 11, *Lawal* above, para. 3).

50. However before so doing, I will deal with: (1) the Respondent's requests for references to the High Court; and (2) Mr. Mellor's counter-arguments to the Appellant's objection based on the facts of UK case law.

<u>*High Court*</u>

51. In the Respondent's first written submissions in response to the objection dated 11 August 2017, the Respondent made a request to the Appointed Person to transfer what I understood as the substantive appeal to the High Court under Section 76(3) of the Act.

52. The request was expressed to be conditional were I to find the Appellant's objection to Mr. Mellor's representation was made out. It was further said that the Appellant could hardly object since such a course would solve any problem of apparent bias.

53. The principles for transfer under Section 76(3) are well established. I have borne in mind the summary of those principles set out by Mr. Geoffrey Hobbs QC sitting as the Appointed Person in *GAP Trade Mark*, BL O/025/16 at paragraph 13.

54. The first point to make about this request is that it was out time. Rule 72(1) of the Trade Marks Rules 2008 stated that the Respondent's request should have been submitted within 28 days of receipt from the UKIPO of the Notice of appeal. The Appointed Person is not empowered to extend that time limit (r. 73(4) – (5)).

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[11] Having obtained the input of the parties on the wording, although the question(s) would be mine.

[12] The Appointed Person is qualified to have recourse to the preliminary-ruling procedure under art. 267 TFEU, Case C-259/04 *Emanuel,* paras. 18 – 25, Opinion AG Ruiz-Jarabo Colomer, paras. 25 – 33.

[13] Mr. Hollingworth also urged me not apply the "precautionary principle" recently followed by Ms. Amanda Michaels sitting as the Appointed Person on entirely different facts in *Youdan Trophy Ltd's Trade Mark Application*, BL O/359/17 (see *AWG Group (formerly Anglian Water Plc v. Morrison* [2006] EWCA Civ 6, Mummery LJ, para. 9).

[14] That is, unrelated to any personal attributes of Mr. Mellor or myself.

55. Second, as I have said, the substantive appeal was against the Hearing Officer's findings that the designations BUSINESS INSIDER and INSIDER were merely allusive of the goods and services applied for, and should not be refused registration on inherent grounds under Section 3(1)(c) and 3(1)(b). In other words, there was no point of general legal importance involved (or indeed identified) that would warrant a referral to the High Court.

56. Third, a reference to the High Court would mean that the preliminary issue at hand would simply go away, which would in turn render the present exercise meaningless (see by analogy, *ACADEMY Trade Mark* [2000] RPC 35, para. 27)

57. Fourth, and following on from the above, in my judgment it would set a bad precedent. Basically, if one party objects to representation by an advocate who is appointed as an Appointed Person, the other party seeks a referral to the High Court[15]. I agree with Mr. Hollingworth that this has the potential for tactical use (a motive already decried by the Respondent), and that in certain circumstances a party might be denied an effective choice of fora (i.e., the appointed person or the court) for an appeal from a decision of the Registrar pursuant to Section 76 of the Act[16].

58. I therefore agreed with the Appellant that this would be neither an appropriate nor an acceptable solution.

Inherent Jurisdiction

59. I should add that the Registrar in his written submissions dated 31 August 2017, also advocated a reference to the court were I to make a finding of apparent bias in favour of the Appellant's objection.

60. However, the Registrar's attitude appeared in the main to be based on uncertainty whether the Appointed Person had the power to require a party to appoint a different advocate in such circumstances.

61. As I have said, the Appointed Person tribunal is bound to give effect to Article 6 of the ECHR. In *Geveran Trading Company Ltd v. Skjevsland* [2002] EWCA Civ 1567, the Court of Appeal confirmed that (Arden LJ, para. 42):

> "… the court has inherent power to prevent abuse of its procedure and accordingly has power to restrain an advocate from representing a party if it is satisfied that there is a real risk of his continued participation leading to a situation where the order made at trial would have to be set aside … The judge has to consider the particular case with care … However, it is not necessary for a party objecting to an advocate to show that unfairness will actually result ... it will be sufficient that there is a reasonable lay apprehension that this is the case … justice should not only be done, but seen to be done."

[15] Irrespective of the nature of the content of the appeal.

[16] Mr. Hollingworth referred me in support to the Guide to Judicial Conduct (discussed below) at para. 3.1 which states that: "… The consent of the parties is a relevant and important factor but the judge should avoid putting them in a position in which it might appear that their consent is sought to cure a ground for disqualification."

62. The Appointed Person equally possesses such inherent jurisdiction[17] (see e.g., *CORGI Trade Mark* [1999] RPC 549, pp. 556, 562, *ACADEMY* above, paras. 23 – 26).

63. I further note that whilst the attitude of the Registrar towards transfer is important, it is not decisive (*GAP* above, para, 13, principle (f)).

<u>*Second request*</u>

64. By the time of the hearing, the Respondent's request had morphed to include an additional or alternative application to transfer this preliminary issue to the High Court (Respondent's skeleton argument dated 14 September 2017, para. 18).

65. It appeared to me that the points identified at paragraphs 54 – 57 above applied with equal force to the Respondent's additional/alternative request for transfer (or indeed more force, since it was made at such a late stage).

66. Accordingly, I likewise refused the second request.

Analogies

67. Mr. Mellor sought to counter the Appellant's objection by reference to the facts of decided UK case law, which he asserted fell into two camps involving: (1) qualified lawyers, where there was no apparent bias; and (2) lay persons, where apparent bias was found to exist. His underlying objective was to persuade me that the relationships concerned in the first camp were more objectionable than that presently under consideration, whereas the principles emerging from the second camp were confined to the special situation of tribunals with so called "wing members" (lay judges).

68. From the first camp, I was referred to:

a) *Siddiqui v. The Chancellor, Masters and Scholars of the University of Oxford* [2016] EWHC 3451. Kerr J refused to stand down on an application for strike-out and summary judgment by the university against the claimant student in circumstances where Kerr J had: (a) 30 years earlier attended a different Oxford University college; (b) advised the university as junior counsel but failed to remember any details; (c) been a former member of the same chambers as the university's counsel in the case – "... it is commonplace in litigation in these courts for a member of a chambers to appear before a judicial tribunal comprising a former member of that person's chambers".

b) *Resolution Chemicals Ltd v. H Lundbeck A/S* [2013] EWCA Civ 1515. The Court of Appeal confirmed Arnold J's refusal to stand down in a situation where many years earlier the judge had academic contact with an expert witness in the case before him.

[17] As does the Registrar (*Pharmedica GmbH's Trade Mark Application* [2000] RPC 536, p. 541).

c) *Azumi Limited v. Vanderbilt* [2017] EWHC 45 (IPEC). The Recorder sitting as a deputy High Court judge refused to recuse himself because he shared chambers with counsel for the claimant.

d) *Watts v. Watts* [2015] EWCA Civ 1297. The deputy High Court judge refused to recuse herself when she was leading the respondent's barrister in unrelated litigation (the barrister and the judge did not practise in the same chambers). Mr. Mellor directed my attention particularly to the following passage at paragraph 28 of the Court of Appeal's judgment dismissing an appeal against her refusal:

> "The notional fair-minded and informed observer would know about the professional standards applicable to practising members of the Bar and to barristers who serve as part-time deputy judges and would understand that those standards are part of a legal culture in which ethical behaviour is expected and high ethical standards are achieved, reinforced by fears of severe criticism by peers and potential disciplinary action if they are departed from …".

e) *Taylor v. Lawrence* [2002] EWCA 90. The Court of Appeal held that no case of bias had been made out where solicitors acting for the claimants had prepared wills for the judge and his wife, codicils to which were executed at the solicitors' offices during the first instance proceedings and before the judge gave judgment for the claimant. Mr. Mellor relied on paragraph 63:

> "The informed observer will therefore be aware that in the ordinary way contacts between the judiciary and the profession should not be regarded as giving rise to a possibility of bias. On the contrary, they promote an atmosphere which is totally inimical to the existence of bias …"

69. Mr. Mellor also relied heavily on the practice of deputy High Court judges appearing as barristers/advocates in the High Court. However, the obvious differences include that not all judges in the High Court are part-time fee-paid, the ranges of matters falling to be heard by the High Court are much wider, and there is a full right of appeal to a higher authority. By contrast, there are no full-time members of the Appointed Person tribunal (all are part-time fee-paid), the issues are relatively limited (i.e., appeals against decisions of the Registrar under the Act), and decisions of the Appointed Person are final subject only to judicial review (see below).

70. In this first camp, the Respondent finally pointed to the apparently accepted fact that Appointed Persons appear as advocates in proceedings before the Registrar. There was some disagreement between the parties as to exactly what was decided in *Munroe*, above. I reminded the parties that Appointed Persons appearing before the Registrar was not the issue before me.

71. Further I noted that in *Munroe*, when dismissing the Applicant's request to amend its grounds of appeal to allege breach of Article 6 of the ECHR in the Registry, Mr. Hobbs regarded as compelling (para. 20) :

> "… the cessation of any argument or doubt of the registrar's decision in the present case established being subject to review by an independent and impartial tribunal established by law with full jurisdiction to deal with the decision of the registrar as the nature of the case requires …"[18].

72. In the second camp, I was referred to:

a) *Lawal v. Northern Spirit Limited* [2003] UKHL 35. The House of Lords held that a hearing before the Employment Appeal Tribunal ("EAT") was not Article 6 of the ECHR-compliant in circumstances where a QC appearing for one of the parties had previously sat as a part-time judge with one of the lay members on the EAT panel. Mr. Mellor drew my attention to paragraph 9 where the House of Lords was setting out the competing views of members of the Court of Appeal:

> "Pill LJ thought that a part-time judge who subsequently appears as an advocate "is likely to be treated by lay members with an additional degree of authority" (para 36). He explained (para 39):
>
> > "The fair-minded and informed lay observer will readily perceive, I have no doubt, the collegiate spirit in which the Appeal Tribunal operates and the degree of trust which lay members repose in the presiding judge. It is in my judgment likely to diminish public confidence in the administration of justice if a judge who enjoys that relationship with lay members, with the degree of reliance placed on his view of the law, subsequently appears before them as an advocate. The fair-minded observer might well reasonably perceive that the litigant opposed by an advocate who is a member of the Tribunal and has sat with its lay members is at a disadvantage as a result of that association. A litigant's doubt about impartiality . . . would, for the reasons given, be a legitimate doubt. In my view, the procedure does not inspire public confidence."

Originally, *Lawal* concerned the broader question of whether it was objectionable in principle for the EAT to hear argument from one of its own members. That was narrowed down at an early stage to the systemic challenge described above. That said, it is noteworthy that

[18] By the time of the application to amend in *Munroe*, Ms. Carboni who was at the time an Appointed Person had stepped down as appeal counsel in favour of Mr. Mellor who was not at the time an Appointed Person. The challenge to the independence and impartiality of the Appointed Person tribunal in that case had therefore melted away.

the House of Lords found persuasive by analogy: (1) the restrictions on part-time Chairmen of the Employment Tribunal ("ET") appearing as advocates before employment tribunals in his or her region; (2) which restrictions would be known to the informed observer.

(b) *Uma Bhardwaj v. FDA* [2016] EWCA Civ 800. It was accepted that an employment tribunal should recuse itself in circumstances where a lay member was a party to proceedings in the region in which that lay member was appointed to sit (para. 54). The appellant had waived her right to object to this (para. 55), but further challenged the attendance at the same training day event by one of the lay members of the ET hearing her case, together with one of the respondents, a lay member appointed to sit in a different region. Direct contact between the two members had been avoided because the potential for conflict had been recognised at an early stage of the day.

The Court of Appeal found no bias, but remarked (Sir Colin Rimer, para. 85):

> "If, as they could easily have been, the events at the training day had been only a little different, there might well here be a point of some substance. If Ms O'Toole had not been present, Mr Carter and Mr Whiteman might not have realised the Bhardwaj connection between them (Mr Whiteman had not yet given evidence and might not even have attended any of the prior ET hearings). They might in that event, and following their morning greeting, thereafter have maintained friendly contact during the day, including during the two group sessions in the group to which they would find they had both been assigned. They might have had lunch together. Over the whole course of the day, they might therefore have established a friendly professional association of the sort that can readily arise between colleagues on such occasions. Had anything like that happened, it would, so it seems to me, be likely to have presented Mr Carter with a real sense of embarrassment when later he came to realise that Mr Whiteman was a respondent in Ms Bhardwaj's case. I regard it as likely that the fair-minded and informed observer would have scrutinised such circumstances with real care in forming his view as to whether they raised a real possibility of bias on the part of Mr Carter. He might well have concluded that they did."

And (Arden LJ, para. 97):

> "It is an extraordinary fact of these race discrimination proceedings that three of the respondents and one of the witnesses for the applicant became lay members of the Employment Tribunals in the same or contiguous regions as those proceedings were taking place during the currency of the proceedings, and that two appointments of the respondents

> were only made known to the applicant during the trial of the proceedings. It is conceded that one of those appointments gave rise to apparent bias on the part of the panel hearing the case …
>
> The independence of the judiciary is a pearl above price in our society. The judiciary must also have the confidence of the public it serves."

Conclusion and immigration and asylum

73. I am grateful to Counsel for their thorough review of the UK case law. However, I was directed to no case in point[19], so that the analogies from the existing cases were of limited assistance there being no apparent personal bias in the present case, and this being the Appointed Person tribunal.

74. There was one further UK analogy, which I brought to the attention of the parties in the run up to the hearing (see para. 19 above). This was Adjudicator Guidance Note, Guidance for Part-Time Adjudicators, Guidance Note 1, November 2001 - https://www.judiciary.gov.uk/publications/immigration-and-asylum-tribunal-rules-and-legislation/ for the former Asylum and Immigration Tribunal ("AIT"), that is now a Chamber of the First-tier Tribunal (Immigration and Asylum") ("FTTIAC").

75. My understanding is that matters before the FTTIAC are generally presided over by a single judge (i.e., without "wing members"; Immigration and Asylum Chambers of the FTTIAC and Upper Tribunal Practice Statement, 25 September 2012, para. 2).

76. The Guidance Note *inter alia* amplified the general principle stated in the terms and conditions of service/appointment that a barrister or solicitor advocate ought not to sit as an Adjudicator or to appear before an AIT, at a particular hearing centre if they were liable to be embarrassed in either capacity by doing so.

77. The amplification clarified that barristers and solicitors with immigration practices should not be allocated to, nor sit at, regional hearing centres in which they normally practised.

The Appointed Person tribunal

78. Under Section 76 of the Act, an appeal against any decision of the Registrar can be made either to the appointed person, or to the High Court or Court of Session (s. 75).

79. The appointed person is appointed by the Lord Chancellor in consultation with the Lord Advocate (s. 77(1) and (4)). At least in recent years, 1 or more of the appointed persons has participated in the appointment process for new members of the tribunal.

80. The statutory eligibility requirements for appointment are (s. 77(2), as amended by the Tribunals, Courts and Enforcement Act 2007):

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[19] Apart from *Munroe* where the issue under consideration arose but was not decided due to the change of Counsel from Ms. Carboni, who was at the time an Appointed Person, to Mr. Mellor, who was not.

(a) a person who satisfies the judicial-appointment eligibility condition on a 5-year basis;

(b) an advocate or solicitor in Scotland of at least 5-years standing;

(c) a member of the Bar of Northern Ireland or a solicitor of the Supreme Court of Northern Ireland of at least 5-years standing; or

(d) a holder of judicial office.

81. The eligibility conditions encompass *inter alia* subject to the 5-year time conditions: practising advocates/barristers, solicitors and chartered patent and trade mark attorneys; non-practising lawyers and attorneys with relevant legal experience; and academics with relevant legal qualifications.

82. The current term of appointment is 4 years renewable up to the age of 70, and appointed persons are expected to make themselves available for 30 sitting days per year (which includes writing up time). There are a number of grounds of removal including persistent failure to comply with sitting requirements without good reason.

83. Candidates for appointment must demonstrate knowledge of Intellectual Property Law and experience of applying the law.

84. The main activities of an appointed person listed in the latest Judicial Appointments Commission Information Pack, Fee-paid Appointed Person, Appeal Tribunal, Trade Marks[20] were described to include:

> "Reading and assimilating papers in a case before it commences which may include evidential material previously submitted into the Registrar's proceedings by the parties.
>
> Reviewing the decision under appeal determining whether the relevant law has been applied to the facts found and (where appropriate) examining the facts from evidence presented and considering whether the decision was procedurally fair.
>
> Pro-actively keeping abreast of the development of both United Kingdom and European trademark law and practice, including attending annual meetings with the Registry and with the [European Union Intellectual Property Office]."

85. As to be expected, the Terms and Conditions of Service and Terms of Appointment of Appointed Person under the Act, place limitations on sittings/practice in order avert conflicts of interest/situations that might be seen to compromise impartiality. In that regard, the Lord Chancellor's Policy on Conflict of Interest, Conduct and Discipline for Courts Based Fee Paid Judicial Office Holders, March 2015[21]relevantly states:

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[20] https://jac.judiciary.gov.uk/sites/default/files/sync/basic_page/00956_00957_information_pack.pdf. See also Job Description at https://jac.judiciary.gov.uk/sites/default/files/sync/basic_page/00956_job_description_trade_marks.pdf.

[21] As I understand, supplied to successful candidates in the last round of Appointed Person appointments.

> "3. Fee paid office holders must ensure that while holding judicial office they conduct themselves in a manner consistent with the authority and standing their office requires. They must not, in any capacity, engage in activity which might undermine, or be reasonably thought to undermine, their judicial independence. The governing principle is that no person should sit in a judicial capacity in any circumstances, which would lead an objective onlooker with knowledge of all the material facts to reasonably suspect that the person might be biased.
>
> […]
>
> 7. As a general principle, a fee-paid office holder should not sit, or appear before a court or tribunal, if they are liable to be embarrassed in their judicial or professional capacity by doing so.
>
> 8. Fee paid judicial office holders should:
>
> I. not sit on a case if they have, or are perceived to have, a personal, professional or pecuniary interest in that case; or if any businesses or practices of which they are members in any capacity have such an interest.
>
> II. comply with the existing case law governing pecuniary or other interests in deciding whether to declare an interest in, or to stand down from, a particular case.
>
> III. should not sit in any court locations where either they or any partner or employee of theirs regularly practises. This is to help avoid them being assigned to adjudicate in a case (or several cases) from which they would have to stand down ..."

86. Further, the <u>Guide to Judicial Conduct</u>, published in March 2013, and amended in July 2016 (referred to in the above as "required reading") adds *inter alia*:

> "3.17 The fee-paid judge has additional factors to consider when making a decision as to recusal. … The fee-paid judge may also, by virtue of professional practice, have links with chambers, professional firms and other parties which make it inappropriate for him or her to hear a case involving them or their clients.
>
> 3.18 The link need not be that of lawyer and client; a solicitor deputy district judge, for example, might not consider it appropriate to sit in judgment in cases involving a firm in professional competition with that fee-paid judge in the same district. By way of a further example, a fee-paid judge who is a barrister may have concerns about a member of his or her chambers who has entered into a conditional fee arrangement appearing before him or her. At many venues, the risk of recusal in civil proceedings is such that it is undesirable for a fee-paid judge to sit in the place of his or her legal practice."

87. As Mr. Hollingworth drew to my attention, the Information Pack for at least the last round of appointed person vacancies[22] contained on 2 separate occasions (the Information and the Job Description) the following statement:

> "With reference to the requirements for avoidance of conflicts of interest, as noted in the Terms and Conditions of Service and Terms of Appointment, the Appointed Persons are expected to take account of the concerns identified in Munroe's Trade Mark Application (BL O-330-O8; 24 November 2008; [2009] RPC 16). Following that Decision and the approach indicated in Appendix [A] thereto, it has been the practice in appeals where a party proposes to be represented by an Appointed Person for the tribunal to raise that as a matter for the informed consent of the opposite party."

88. In *Munroe* itself, Mr. Hobbs mentioned as also indicative references in professional conduct rules[23] to the administration of justice being or appearing to be prejudiced by reason of a connection between the tribunal (or a member of it) and the representative of a party appearing before it giving rise to professional embarrassment (para. A26).

Make-up/characteristics of the tribunal

89. There were originally 3 Appointed Persons in trade marks appointed in 1996. This number subsequently rose to 5 and now stands at 9.

90. Every member of the Appointed Person trade marks tribunal is fee-paid part-time. There was and is no full-time member. The Senior Appointed Peron, Mr. Hobbs, is in charge of the allocation of cases. As Mr. Hobbs remarked in *Munroe* (para. A32):

> "The members of the tribunal work upon the basis that they will either hear the appeals that are allocated to them or in any case where they perceive themselves to be in a position of conflict or possible conflict arrange for the appeal to be re-allocated to another member of the tribunal."

91. Although jurisdiction may be shared with the court, in any year, the Appointed Person hears around 90% of appeals from decisions of the Registrar under the Act.

92. As already stated, the Appointed Person has power under Section 76(3) in given circumstances to refer an appeal to the court. Otherwise, the Appointed Person must hear and determine the appeal, and his or her decision is final (s. 76(4)). That does not exclude the possibility of judicial review, which I observe is no answer to Article 6 of the ECHR lack of independence/impartiality (*P, A Barrister v. The General Council of the Bar* [2005] EW Misc B1 (InnsC) (24 January 2005), paras. 100 – 102).

93. Territorially the jurisdiction of the Appointed Person tribunal is not limited to England and Wales, but covers in addition Northern Ireland and Scotland. There are no regions as such. Essentially, the hearing centre is London. The tribunal may make orders for reference under Article 267 of the TFEU (fn. 12 above).

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[22] When Mr. Mellor was appointed.

[23] There para. 603(d) of the Bar Council Code; see also s. 38 of the Solicitors Act 1974.

94. Matters are dealt with in the Appointed Person tribunal by a single judge, who acts independently of the others, although the desirability in so far as possible for consistency in decision-making is well recognised within the group (Guide to Judicial Conduct, para. 2.4).

95. There is usually an oral hearing although appeals may be dealt with on the papers. Like in the present case, preliminary issues may need prior determination.

96. Parties may professionally be represented in the tribunal by barristers, solicitors, or attorneys, or non-professionally by directors, officers, managers, partners, colleagues, family or friends. That said, there is no requirement for representation, and it is quite common for parties to represent themselves as litigants in person.

97. The Appointed Persons as a group meet annually with the UKIPO to review the system. As Mr. Hollingworth reminded me, it is not unknown[24] for legal issues to be discussed. The example cited by Mr. Hollingworth was the standard of appellate review following *B (a Child), Re* [2013] UKSC 33 (discussed at length by Mr. Daniel Alexander sitting as the Appointed Person in *TALK FOR WRITING Trade Mark*, BL O/017/17, section B).

98. The Appointed Persons as a group also attend annually the EUIPO in Alicante, Spain[25] for a full-day meeting at which aspects of EU trade marks law and practice are discussed.

99. There are (or have been) other occasions where the Appointed Persons meet as a group (e.g., Meeting of Trade Marks Judges, London, November 2014).

100. Finally, I think it fair to say that the Appointed Person tribunal has made a significant contribution to the development of UK and European trade marks law and practice.

Determination of the preliminary issue

Notional fair-minded and informed observer

101. It seems to me that the above (paras. 78 – 100) would be or become known to the notional fair-minded and informed observer on making reasonable enquiries. He or she might also viably be cognisant of practices in other tribunals like the ET and EAT and the FTTIAC. Indeed, I did not understand Counsel to dispute that such would be the case.

102. Realistically in my judgment the Appointed Person tribunal would be viewed by the notional fair-minded and informed observer as comprising a relatively small number of fee-paid part-time practitioner/academic judges who, on the one hand, decided appeals and, on the other hand, operated *inter alia* in the same relatively contained field of law.

103. The notional fair-minded and informed observer might reasonably perceive a collegiate relationship to exist between the appointed persons due to their membership

[24] But, I would say uncommon.
[25] Accompanied by members of the UKIPO.

of this defined group. He or she might also reasonably assume some social interaction between members of the group at events like the annual EUIPO visit.

104. The spectrum of thoughts that could occur to the notional fair-minded and informed observer, were all the members of the tribunal entitled to appear for any party on an appeal before the tribunal, might reasonably include (actual personalities apart): whether that party might unfairly benefit from representation by an advocate with inside knowledge of the tribunal, or otherwise by reason of the collegiate relationship that existed within the group; whether determinations of the Appointed Person might subconsciously be swayed or otherwise influenced by considerations in another case before the tribunal on which occasion the judge is acting as advocate for any party or vice versa; whether allocations of appeal might subconsciously be partial; whether embarrassment or prejudice might be caused through criticism in argument by a member of the tribunal acting on that occasion as advocate for a party, of decisions of the tribunal perhaps including those of the Appointed Person hearing the case.

105. As Mr. Mellor emphasised, the notional fair-minded and informed observer would be possessed of background knowledge of the judicial traditions that exist in the UK, and the high standards expected of qualified lawyers and attorneys. Nevertheless, as was stated in *Lawal* attitudes change, and the overriding consideration is that justice must be seen to be done (*Geveran* above*,* para. 42).

106. The notional fair-minded and informed observer would know the history behind the preliminary issue; that the issue first arose with *Munroe* in 2008 when concerns were expressed by the Senior Appointed Person, and that the practice of the tribunal adopted in consequence of *Munroe* was that the informed consent of the other party must be obtained whenever a member of the tribunal proposed to act as advocate for a party in the appeal before the tribunal. The notional fair-minded and informed observer would also be aware that both *Munroe* and the tribunal practice have formed part of the information and terms and conditions for new appointees to the tribunal.

107. In my judgment, the concerns raised in *Munroe* and the consequent practice adopted by the tribunal were both justified, and necessary to preserve the ongoing integrity of the tribunal.

108. I do not think that the Appointed Person tribunal could be said to be Article 6 of the ECHR-compliant were it to adopt a rule that its members were free to appear as advocates for any party before the tribunal in the absence of the informed consent of the other party.

109. In my judgment, were that to represent the case, the notional fair-minded and informed observer would have legitimate reason to question the independence and impartiality of the tribunal.

110. I recognise that that this will place a limitation on those who would seek to become, and become an appointed person. However, this merely confirms the practice of the tribunal since *Munroe*, and is vital to ensure that justice is not only done, but seen to be done (*Geveran* above, para. 42).

111. I therefore find in favour of the Appellant’s objection.

112. Mr. Mellor graciously agreed that in this event[26] he would retire as Counsel appearing for the Respondent in the substantive appeal, which avoids the necessity for such an order.

113. As soon as the Respondent has chosen a new Counsel/advocate to represent it, the parties should jointly put forward to me through the GLD (quoting reference number Z1707487/MIE/A5) some suitable dates when their representatives would be available for the hearing of the substantive appeal. This should be done within 1 month of the date of this decision (i.e., 28 January 2018).

114. I will then appoint a date and time for the hearing by me of the substantive appeal.

Professor Ruth Annand, 28 December 2017

Mr. Guy Hollingworth of Counsel instructed by Pillsbury Winthrop Shaw Pittman LLP appeared for the Appellant

Mr. James Mellor of Queen's Counsel instructed by Haseltine Lake LLP appeared for the Respondent.

[26] And the non-referral to the court, see paras. 51 – 66 above.