

O-511-18

TRADE MARKS ACT 1994

**IN THE MATTER OF
TRADE MARK APPLICATION NO 3276473
IN THE NAME OF PTL LIMITED
TO REGISTER**

JACK'S

**AS A TRADE MARK IN CLASS 35
AND
THE LATE FORM TM8 AND COUNTERSTATEMENT
FILED IN DEFENCE OF THAT APPLICATION
IN OPPOSITION PROCEEDINGS (UNDER NO. 412054)
LAUNCHED BY
SMITHS NEWS TRADING LIMITED**

Background

1. On 11 December 2017, PTL Limited (hereafter 'the applicant') applied to register the mark **JACK'S** in class 35 for the following goods:

Advertising; business management; business administration; office functions; demonstration of goods; direct mail advertising; distribution of samples; import-export agency services; marketing; organization of exhibitions for commercial or advertising purposes; organization of fashion shows for promotional purposes; organization of trade fairs for commercial or advertising purposes; presentation of goods on communication media, for retail purposes; price comparison services; provision of an on-line marketplace for buyers and sellers of goods and services; sales promotion for others; organisation, operation and supervision of loyalty schemes and incentive schemes; wholesale services, retail services and online retail services connected with the sale of Chemicals, paints, varnishes, preservatives against rust, wood preservatives, filled toner cartridges, bleaching preparations and other substances for laundry use, make-up, cosmetics, beauty care preparations, industrial oils and greases, lubricants, candles; wholesale services, retail services and online retail services connected with the sale of pharmaceutical, medical and veterinary preparations, sanitary preparations for medical purposes, dietary supplements for humans and animals, infant formula, common metals and their alloys, machines, vacuum cleaners, hand tools and implements [hand operated], cutlery, hand-operated garden tools; wholesale services, retail services and online retail services connected with the sale of alarms, computer hardware, computer software, televisions, speakers, cameras, telecommunication equipment, dental apparatus, babies feeding apparatus, babies bottles, apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes, barbecues; wholesale services, retail services and online retail services connected with the sale of electric cooking utensils, vehicles, bicycles, roof top carriers, child carrying seats, fireworks, precious metals and their alloys, jewellery, musical instruments, paper and cardboard, books, printed publications, stationery, leather and imitations of leather, bags, building materials (non-metallic), non-metallic flooring, furniture, mirrors, household or kitchen utensils and containers, ropes, waterproof covers; wholesale services, retail services and online retail

services connected with the sale of yarns threads, textiles and substitutes for textiles, bed covers, linen, clothing, footwear, headgear, lace and embroidery, carpets, rugs, mats, games, toys and playthings, gymnastic and sporting articles, decorations for Christmas trees, food and drink, beers, alcoholic beverages, tobacco and smokers articles; information, advisory and consultancy services relating to the aforesaid services.

2. The application was published on 26 January 2018. A Notice of Opposition, the form TM7, was filed on 22 March 2018 by Smiths News Trading Limited (hereafter 'the opponent') under Section 5(2)(b) of the Trade Marks Act 1994 ('the Act') based on two of its earlier UK and EU marks.

3. The form TM7 was served on the applicant on 28 March 2018 setting a deadline of 29 May 2018 for the filing of a form TM8 and counterstatement. No defence was received on or before 29 May 2017. At that date the applicant was represented by Stobbs. Shortly after that date, on 1 June 2018, the global trade mark portfolio for the group of companies the applicant belongs to was transferred to Kempner & Partners LLP (hereafter 'Kempner'). On 1 June 2018 Stobbs notified Kempner that the deadline for this case had been missed and provided a witness statement setting out the reasons why. In turn on 1 June, Kempner notified the opponent's representatives Withers & Rogers LLP (hereafter 'Withers') that the TM8 deadline was missed. Subsequently on 4 June, Withers confirmed to Kempner that the opponent consented to the late filing of the TM8.

4. On 5 June, Kempner filed an extension of time request, TM9R, along with the Stobbs witness statement asking for 14 days in which to file the TM8. On 13 June, Kempner filed the TM8 and counterstatement.

5. The Tribunal replied to Kempner on 11 July, giving a preliminary view that the late TM8 could not be admitted. A hearing was requested by the applicant.

Hearing

6. A hearing took place before me on 17 August by telephone. Mr Matthew Sammon of Kempner represented the applicant. The opponent did not attend. I received a skeleton argument from Mr Sammon in advance of the hearing.

7. Mr Sammon began by setting out the circumstances surrounding the late filing of the TM8. In particular he explained the background of the change of the applicant's representative from Stobbs to Kempner. The group of companies to which the applicant belongs appointed Kempner to manage its global trade mark portfolio. The size of the portfolio is significant and involved Stobbs (the previous representative) transferring the details of several thousand marks including those marks involved in various proceedings. Mr Sammon referred me to paragraph 14 of his skeleton, viz.

“The transfer involved over 3000 active trade mark registrations and application [sic], over 60 ongoing oppositions/cancellation actions, 140 registered designs and numerous miscellaneous matters”.

8. It had been agreed that Stobbs would remain responsible for all matters up to 1 June 2018 which included the filing of a TM8 on this case on or before 29 May. Mr Sammon confirmed that the applicant had instructed Stobbs to file the TM8. In mitigation Mr Sammon stated that the workload for Stobbs was considerable given the scale of the work they were transferring to Kempner. In his view the pressure of the workload meant the deadline in this case was missed due to human error.

9. Mr Sammon submitted that the applicant had done everything it could to ensure compliance with the deadline and referred to the criteria set by Mr Vos QC in *Music Choice Ltd's Trade Mark* [2006] R.P.C. 13 (*'Music Choice'*) case (which I will refer to later in this decision), which he believes has been fulfilled by the applicant. He did not believe that the applicant was the 'author of its own misfortune' in this matter and had displayed more than the 'minimum degree of vigilance' as set out by Geoffrey Hobbs, sitting as the Appointed person, in paragraph 15 of the *Kickz* decision (BL O-035-11).

The Rules regarding late filing

10. With regard to the late filing of a form TM8, I must refer to Rule 18 of the Trade Marks Rules 2008 which states:

“(1) The applicant shall, within the relevant period, file a Form TM8, which shall include a counter-statement.

(2) Where the applicant fails to file a Form TM8 or counter-statement within the relevant period, the application for registration, insofar as it relates to the goods and services in respect of which the opposition is directed, shall, **unless the registrar otherwise directs**, be treated as abandoned.

(3) Unless either paragraph (4), (5) or (6) applies, the relevant period shall begin on the notification date and end two months after that date.” (my emphasis)

11. The combined effect of Rules 77(1), 77(5) and Schedule 1 of the Rules means that the time limit in rule 18, which sets the period in which the defence must be filed, is non-extensible other than in the circumstances identified in rules 77(5)(a) and (b) which states:

“A time limit listed in Schedule 1 (whether it has already expired or not) may be extended under paragraph (1) if, and only if—

(a) the irregularity or prospective irregularity is attributable, wholly or in part, to a default, omission or other error by the registrar, the Office or the International Bureau; and

(b) it appears to the registrar that the irregularity should be rectified.”

12. As there has been no error on the part of the registrar or the office, rule 77(5) is not relevant. In *Kickz*, Mr Hobbs QC sitting as the Appointed Person held that the discretion conferred by rule 18(2) is a narrow one and can be exercised only if there are “extenuating circumstances”. In *Mercury*, Ms Amanda Michaels, also sitting as the Appointed Person, in considering the factors the Registrar should take into account in exercising the discretion under rule 18(2), held that there must be “compelling reasons”. She also referred to the criteria established in *Music Choice*,

which provides guidance, applicable by analogy, when exercising the discretion under rule 18(2). Such factors (adapted for an opposition case) are:

- (1) The circumstances relating to the missing of the deadline including reasons why it was missed and the extent to which it was missed;
- (2) The nature of the opponent's allegations in its statement of grounds;
- (3) The consequences of treating the applicant as opposing or not opposing the opposition;
- (4) Any prejudice caused to the opponent by the delay;
- (5) Any other relevant considerations, such as the existence of related proceedings between the same parties.

Decision

13. Insofar as the first *Music Choice* factor is concerned, I note that the deadline was missed by 14 days and I must bear in mind the circumstances which led to the delay in filing the defence. In her witness statement dated 1 June 2018, Emma Pettipher of Stobbs, states that that her firm had been instructed by the applicant to file a TM8 and that all necessary administrative steps had been taken in line with their procedures for recording deadlines on their electronic case management system. She stated that it was the workload and pressure involved in the handover of the global trade mark portfolio to Kempner which caused the human error of missing the deadline. I must also bear in mind that once Stobbs had notified Kempner of the missed deadline on 1 June, several actions were taken by Kempner namely informing the opponents of the situation and filing a TM9R before filing the TM8 on 13 June. It strikes me in this matter that the applicant had done all it could to ensure that the TM8 was filed on time by instructing Stobbs before the relevant date and that both representatives in this matter (Stobbs and Kempner) have taken appropriate action as quickly as possible to rectify the situation.

14. In terms of the second *Music Choice* factor, the grounds of opposition are based on section 5(2)(b) of the Act, as the opponent alleges the marks are confusingly similar to two of its UK and EU trade marks.

15. Turning to the third *Music Choice* factor, the consequences for the applicant if discretion is not exercised in their favour are serious as its trade mark application would be deemed abandoned for want of a defence. By contrast, if discretion is exercised in their favour, then they would have the opportunity to defend the trade mark and a decision would be made on the merits of the case. Mr Sammon stated that if the TM8 was not admitted in to these proceedings, then it was the applicant's intention to refile its application with very likely consequence that the opponent would again oppose the mark which would lead to delay and more expense for all parties.

16. In terms of the fourth *Music Choice* factor, the opponent has not commented on any prejudice caused by the delay. In fact Mr Sammon submits in his skeleton that the opponent gave its consent on 4 June to the late filing of the TM8 and the continuation of proceedings.

17. As regards the fifth *Music Choice* factor, Mr Sammon informed me that there are several other ongoing oppositions between the parties here in the UK and in the EUIPO. In addition, the parties are also currently engaged in discussions regarding a wider commercial settlement.

18. Having addressed each of the relevant factors in *Music Choice*, I must now decide whether there are sufficient extenuating circumstances to enable me to exercise my discretion. After careful consideration, my decision is that the necessary compelling reasons have been made out. In concluding this, I bear in mind that the applicant did all it could to ensure the TM8 was filed on time and that the representatives took active steps to resolve matters in a timely manner once the error had been identified. In that respect the representatives demonstrated the necessary degree of vigilance. In addition, I also keep in mind that the opponent has not identified any prejudice caused by this situation and that if the TM8 were not admitted there would detriment in terms of cost and delay to all parties. **The late filed form TM8 and counterstatement is admitted into proceedings.**

Costs

19. In the circumstances, I do not consider an award of costs to be appropriate.

Dated this 20th day of August 2018

A handwritten signature in black ink, appearing to read "J Ralph". The signature is written in a cursive, slightly slanted style.

**June Ralph
For the Registrar,
the Comptroller-General**