

O-193-19

**TRADE MARKS ACT 1994
IN THE MATTER OF
INTERNATIONAL TRADE MARK REGISTRATION NO. WO1354071
STANDING IN THE NAME OF
TESCON SICHERHEITSSYSTEME SCHWEIZ GMBH
FOR THE MARK**

TESCON

**AND
THE LATE FORM TM8 AND COUNTERSTATEMENT
FILED IN DEFENCE OF THAT REGISTRATION
IN CANCELLATION PROCEEDINGS (UNDER NO. 502325)
LAUNCHED BY PRAESIDIAD NV**

Background

1. The following international registration (IR) is designated in the UK in the name of Tescon Sicherheitssysteme Schweiz GmbH (hereafter Tescon):

International no. WO1354071	Classes
<p data-bbox="204 459 432 510">TESCON</p> <p data-bbox="204 600 691 689">Date of protection of the IR in UK: 9 November 2017</p>	<p data-bbox="810 459 1382 824">Class 6: Safes [strong boxes]; goods of metal, particularly gates, barriers, bollards, locking bars, turnstiles (non-automatic), devices adapted for damaging vehicle tires with a view to preventing passage (anti-recoil systems).</p> <p data-bbox="810 898 1382 1151">Class 7: Machines for operating outdoor installations such as gates, barriers, bollards, locking bars, turnstiles; electric devices for opening or closing doors, gates and turnstiles.</p> <p data-bbox="810 1225 1382 1314">Class 9: Sound or image recording and reproduction apparatus; software</p> <p data-bbox="810 1388 1382 1478">Class 42: Technical planning relating to installations ensuring outdoor protection</p> <p data-bbox="810 1552 1382 1753">Class 45: Safety services for the protection of property and persons; advice relating to installations ensuring outdoor protection.</p>

2. By an application dated 2 November 2018, Praesidiad NV (hereafter Praesidiad) applied for a declaration of invalidity in respect of the IR on the basis of sections 5(4)(a) and 3(6) of the Trade Mark Act 1994 (the Act).

3. The application for invalidity (form TM26(I)) was served on Tescon on 27 November 2018 setting a deadline of 28 January 2019 for the filing of a defence (form TM8) and counterstatement.

4. No form TM8 and counterstatement was received on or before 28 January 2019. The Tribunal wrote to Tescon in the following terms,

“The official letter dated 27 November 2018 informed you that if you wished to continue with your international registration you should file a Form TM8 and counterstatement on or before 28 January 2019.

As no Form TM8 and counterstatement have been filed within the time period set, Rule 41(6) applies. Rule 41(6) states that:

“...registration of the mark shall, unless the registrar otherwise directs, be declared invalid.”

The registry is minded to treat the holder as not opposing the application for Invalidation and declare the registration as invalid as no defence has been filed within the prescribed period.

If you disagree with the preliminary view you **must** provide full written reasons and request a hearing on, or before, **21 February 2019** This **must** be accompanied by a Witness Statement setting out the reasons as to why the Form TM8 and counterstatement are being filed outside of the prescribed period.”

5. On 6 February 2019, the Tribunal received a form TM8, counterstatement and a witness statement from Victoria Bennett of Dolleymores, Tescon’s legal representatives. The witness statement set out the reasons for the non-receipt of the form TM8 within the prescribed period. Ms Bennett stated in paragraph 5 that, “the missing of the deadline was an anomaly in our records system and an error on my part”. She further states that that there was a misunderstanding with the deadline date for these proceedings and deadlines set for other cancellation proceedings, under CA 502177, between the same parties.

6. The Tribunal replied to Dolleymores on 20 February 2019 giving a preliminary view that the late TM8 should be admitted into the proceedings. Praesidiad disagreed with the preliminary view and subsequently requested a hearing.

The Hearing

7. The hearing took place before me on 2 April 2019 by telephone conference. Ms Victoria Bennett of Dolleymores represented Tescon and Mr Tim Bamford of Collyer Bristow LLP represented Praesidiad. Both sides provided skeleton arguments in advance of the hearing.

8. Ms Bennett outlined what had happened in these proceedings that caused the deadline to be missed. In particular, she drew my attention to the related cancellation proceedings under CA 502177. A hearing had been set on that case for 7 February 2019 and skeleton arguments were due at the Tribunal on 5 February. In preparing the skeleton for CA502177 it was discovered that the deadline for filing the form TM8 on the current case, namely 28 January, had been overlooked and the date of 5 February had been incorrectly understood as the deadline for the TM8 as well as for the skeleton in CA502177.

9. Ms Bennett stated that action was taken to email the Tribunal with the TM8, counterstatement¹ and a witness statement outlining the circumstance of the late submission on 6 February, 9 calendar days after the deadline. Ms Bennett also submits that no detriment was caused to the other side as the TM8 and counterstatement were in place before the hearing took place on the related proceedings, re CA502177, on 7 February and prior to any proceedings being consolidated which was the ultimate intention on these cases.

10. Furthermore Ms Bennett reiterated the serious consequence for Tescon if the TM8 was not admitted and she did not feel it would be right or just if the IR was lost because of an administrative diary error.

¹ There was some confusion about the receipt of the counterstatement which was not visible on the case file. This has now been investigated and the counterstatement has been traced to the email attachment dated 6/2/19 and has been added to the case file.

11. Mr Bamford responded that he did not accept that a diary error was a sufficient reason to allow the TM8 to be admitted. He submitted that the rules relating to deadlines are in place to ensure fairness to all parties. He did not see that such a diary error amounted to either a ‘compelling reason’² or an ‘extenuating circumstance’³ and disagreed with the Tribunal’s preliminary view that the TM8 could be admitted especially as it provided no detailed explanation as to the compelling reasons or extenuating circumstances which allowed such an action. He pointed out that previous case law supports the view that administrative errors are not sufficient to allow the admission of a late filed defence. Futhermore, he stated that prejudice had been caused to Praesidiad by the delay. Mr Bamford cited a specific example of a meeting held in Hamburg with his clients to discuss evidence and other matters pertaining to the ongoing proceedings but explained that wider discussions had been restricted by the absence of the TM8.

12. Ms Bennett responded that she was in receipt of an email from the other side requesting a copy of the TM8 but the Hamburg meeting was not mentioned and she was not aware of it taking place. She reiterated that she understood there are rules in place governing the timeframes of proceedings but there is nothing in the Act which says that a registered trade mark can be removed from record because of a failure to adhere to deadlines. I intervened here to point out that Rule 41(6) does set out that a registered mark can be declared invalid because of a failure to file a defence.

The decision

13. 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

² *Mercury* O-050-12

³ *Kickz* O-035-11

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)

14. 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.”

15. As there has been no error on the part of the registrar or the office, rule 77(5) is not relevant. That leaves rule 18(2) to be considered. As I referred to above, in the *KiX* (O-035-11) decision, Mr Geoffrey 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* (O-050-12), 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 Ltd’s* Trade Mark [2006] R.P.C. 13 (*‘Music Choice’*), which provides guidance, applicable by analogy, when exercising the discretion under rule 18(2). Both sides in this matter have directed me to the *Music Choice* criteria set out below in their respective skeleton arguments:

(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 applicant for invalidity's allegations in its statement of grounds;

(3) The consequences of treating the IR holder as opposing or not opposing the application for invalidity;

(4) Any prejudice caused to the applicant for invalidity by the delay;

(5) Any other relevant considerations, such as the existence of related proceedings between the same parties.

16. In reviewing the first *Music Choice* factor, I note that the deadline was missed by 9 calendar days (7 working days) and that the error occurred as a result of an anomaly in the Dolleymores administrative system, compounded by human error in misunderstanding the due date in this case and in the proceedings for CA502177. Ms Bennett submits that this is a single incident and not reflective of the Dolleymores administration system. Mr Bamford submits in his skeleton case that a misunderstanding over dates has no foundation given the clear communication issued by the Tribunal regarding deadlines.

17. In terms of the second *Music Choice* factor, Praesidiad have made an application to invalidate the IR on the basis of sections 5(4)(a) and 3(6) of the Act. Both sides have made clear to me the seriousness of the allegations and the evidential burden needed to prove the grounds.

18. Regarding the third *Music Choice* factor, the consequences for Tescon if discretion is not exercised in its favour are very serious as the IR would be deemed invalid for want of a defence. This in turn would have significant consequences for Tescon in the related proceedings, CA502177, which would fall away if the IR is deemed invalid. By contrast, if discretion is exercised in its favour, it would have the opportunity to defend the IR and a decision would be made on the merits of the case.

19. Turning to the fourth *Music Choice* factor regarding prejudice, Ms Bennett states that this case was due to be consolidated with CA502177 once the hearing on that case had taken place and the relevant TM8 and counterstatement was filed in these proceedings. As the merits of the respective cases would be established during the evidence rounds of any consolidated proceedings, she did not believe that any prejudice had been caused to Praesidiad by the late filing of the TM8. In reply, Mr Bamford stated that prejudice had been caused to his client and reiterated that discussions with colleagues in Hamburg had been curtailed because of the absence of the TM8 and additional time and costs has been incurred by increased communication with the Tribunal and Dolleymores over this case relating to the TM8.

20. Regard the fifth *Music Choice* factor, there are previously referenced related proceedings in CA502177 to bear in mind and Ms Bennett has drawn my attention to other proceedings between the parties taking place in Belgium, Germany and Switzerland.

21. Having addressed each of the relevant factors in *Music Choice*, I must now decide whether there are sufficient extenuating circumstances or compelling reasons to enable me to exercise my discretion to admit the late filed TM8 and counterstatement in to these proceedings.

22. After careful consideration. I do not find that there are sufficient extenuating circumstances or compelling reasons which justify me exercising the discretion provided by rule 18(2) in Tescon's favour. In this case the incorrect recordal of a diary deadline is unfortunate but does not amount to either an extenuating circumstance or compelling reason. I do bear in mind the serious consequences for Tescon that it will lose its IR designation in the UK and there may be an adverse effect on other proceedings. However, I do not consider that these factors counterbalance the far from compelling reason as to why the deadline was missed. The diary error indicates that, in the words of Mr Hobbs in *KiX*, there has been a failure to exercise the 'minimal degree of vigilance' required to meet the deadline. **The late Form TM8 and counterstatement is not admitted into the proceedings. The IR is treated as invalid.**

Costs

23. As my decision terminates the proceedings, I must consider the matter of costs. Using the guidance set out in Tribunal Practice Notice 2/2016, I award the opponent costs on the following basis:

Official fee for the application for invalidity	£200
Preparing the statement of grounds	£200
Preparing for & attending the hearing	£300
Total	£700

24. I order Tescon Sicherheitssysteme Schweiz GmbH to pay Praesidiad NV the sum of £700. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 10th day of April 2019

June Ralph
For the Registrar,
The Comptroller-General