

O-201-19

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATIONS NOS. 502019 AND 502020

IN THE NAME OF TELEFONICA S.A.



FOR A DECLARATION OF INVALIDITY OF REGISTERED TRADE MARKS

NOS. 3254511 AND 3250467

IN THE NAME OF VIVO MOBILE COMMUNICATION CO., LTD.

BACKGROUND

1. On 23 March 2018, Telefonica S.A. (“the cancellation applicant”) filed applications for a declaration of invalidity of the following trade mark registrations standing in the name of VIVO MOBILE COMMUNICATION CO., LTD. (“the holder”): (i) VIVO (word only) registered under number 3254511 as of 2 February 2018 and (ii)  registered under number 3250467 as of 1 December 2017, both for use in relation to a range of goods in class 9.

2. In each case, the declaration of invalidity was requested under Section 46(1) in combination with Sections 5(1), 5(2)(a), 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”). This was on the basis of the cancellation applicant’s two earlier EU registrations nos. 9667841 and 16945354 for the trade marks  and  covering, inter alia, goods in class 9.

3. The Tribunal raised a number of queries with the cancellation applicant regarding its Forms TM26(1)s. These matters having been resolved, on 2 July 2018 the Tribunal served copies of the applications for invalidity on the holder. These were sent by email to the holder’s legal representative, Novagraaf UK. The holder was advised that it had until 3 September 2018 to file Forms TM8s and counterstatements in order to resist the applications for invalidity. The letter contained the following paragraphs:

“If you wish to continue with your registration, you must in accordance with rule 41(6) of the Trade Marks Rules 2008 complete form TM8 and counterstatement (please see Glossary) and return it within two months from the date of this letter. The TM8 and counterstatement must be received on or before 3 September 2018. In accordance with rule 41(6) if the TM8 and counter-statement are not filed within this period, (a period which cannot be extended), the registration of the mark shall, unless the registrar otherwise directs, be declared invalid in whole or part.”

4. The Forms TM8s and counterstatements were sent via email on 4 September 2018. By then, the deadline of 3 September had expired.

5. On 11 September 2018, the Tribunal wrote to Novagraaf UK and advised them that the Forms TM8s had been filed late. It informed them that, if they wished the Registrar to consider their client’s Forms TM8s, they should provide, by 25 September 2018, a

witness statement explaining the reasons for the late filing. It indicated that the Registrar would then consider the request for discretion.

6. On 12 September 2018, a witness statement was received from Trecina Surti, a trade mark attorney at Novagraaf UK. The reasons given for the failure to meet the deadline were as follows:

3. The TM8 and Counterstatement was drafted ahead of the deadline and was filed on the day of the deadline (3 September 2018) via email to Tribunalsection@ipo.gov.uk, with copy to the attorneys acting for the Cancellation Applicant.
4. However, due to an IT system error and technical issues, it appears the email was not delivered. Immediately upon realising that this was the case, we submitted the documents the following morning at 10.40am.
5. We have email notifications from our Network providers (KPN) to our IT department (based in Amsterdam) stating that KPN will look into the system errors and another communication confirming that the error that occurred on 3 September 2018 had been stabilised. As the communications are in Dutch we have provided a brief google translation.
6. As the system error was out of our control and the short delay will not prejudice the other side in any way, we request that the TM8 and counterstatement is accepted by the Registry and the Registry exercises its discretion under Rule 18(2).

7. The Registrar considered the reasons provided by Ms Surti in a letter dated 18 September 2018. It took the preliminary view that it was appropriate to invoke Rule 76(1) (Delays in communication services), and to admit the late filed Forms TM8s.

8. The cancellation applicant was allowed until 2 October 2018 to challenge this preliminary view by requesting an interlocutory hearing. On the last day of the deadline, HGF Limited on behalf of the cancellation applicant, requested a hearing. It argued that Rule 76 should not be invoked and referred to Rule 18 as the relevant provision. Regrettably, the request was not acted upon until 19 March 2019 due to an administrative error within the Tribunal. A hearing was eventually appointed and took place before me on 3 April 2019. The applicant for cancellation was represented by Rachel Denholm; the holder was represented by Claire Jones. Both parties filed skeleton arguments in advance of the hearing.

THE STATUTORY PROVISIONS

9. For the purposes of this decision, it is not necessary for me to set out all of the statutory provisions governing the conduct of cancellation proceedings before the Tribunal. Suffice to say that the period allowed to the owner of a mark to file a Form TM8 by Rule 41(6) is a non-extendable period governed by Schedule 1 to the Rules. Notwithstanding the above, the Registrar may find that a late-filed Form TM8 can be considered validly filed if he is satisfied it is appropriate to do so. This discretion is contained in Rule 41(6) which reads as follows:

“(6) The proprietor shall, within two months of the date on which a copy of Form TM26(I) and the statement was sent by the registrar, file a Form TM8, which shall include a counter-statement, otherwise the registrar may treat the proprietor as not opposing the application and registration of the mark shall, unless the registrar otherwise directs, be declared invalid.”.

10. In approaching the discretion provided by the use of the words “*unless the registrar otherwise directs*” in Rule 41(6), the Tribunal takes into account the decisions of the Appointed Person in *Kickz AG v Wicked Vision Limited* (BL O/035/11) and *Mark James Holland v Mercury Wealth Management Limited* (BL O/050/12), which, although relating to opposition proceedings, are equally applicable to invalidation cases.

11. In addition, Rule 76 provides for discretion in the event that a communication service (such as the use of emails) fails. It reads:

“76. — (1) The registrar shall extend any time limit in these Rules where the registrar is satisfied that the failure to do something under these Rules was wholly or mainly attributed to a delay in, or failure of, a communication service.

(2) Any extension under paragraph (1) shall be— (a) made after giving the parties such notice; and (b) subject to such conditions, as the registrar may direct.

(3) In this rule “communication service” means a service by which documents may be sent and delivered and includes post, facsimile, email and courier”.

THE SUBMISSIONS AT THE HEARING

12. For the cancellation applicant, Ms Denholm, pursued the following arguments:

- (a) The holder's failure to file the two Forms TM8s within the timescale allowed was not wholly or mainly attributable to a delay in, or failure of, a communication service, and does not justify the application of Rule 76;
- (b) There are not compelling reasons or extenuating circumstances for the holder's failure to file the two Forms TM8s within the prescribed inextensible deadline, and it is not open to the Registrar under Rule [41(6)] to allow the late filing of the Forms;

13. In relation to point (a), Ms Denholm stated that whilst it was accepted that Novagraaf UK had experience some IT issues, there were other contributing factors which had led to the missing of the deadline, namely, that the filing of the forms was left until the day the forms were due and that Novagraaf UK had failed to note and rectify the failure on the day it occurred. In this connection, she reiterated the point made in her skeleton arguments that:

“The system failure was certainly inconvenient, but there is a certain risk that must be acknowledged when filing submissions on the day of an inextensible deadline, particularly if (as it happens to be the case here) the IT service provider concerned does not automatically or immediately raise an alert or report a temporary glitch or failure as soon as it occurs.”

14. In relation to point (b), Ms Denholm referred to the authorities referred above, principally *Mercury*. She submitted that the circumstances of the case were neither compelling nor extenuating, all the more so since Novagraaf UK had failed to provide a detailed chronology of the events and there was no evidence of the original Forms TM8s signed and dated 3 September (or of the emails which allegedly enclosed them) and no proof of any failed delivery message. She argued that Novagraaf UK had made no effort to explain why other steps had not been taken on the day to meet the deadline. She pointed to the absence of information regarding, for example, what time the IT problem

occurred, how long it lasted, when it came to light and concluded that the evidence provided was insufficient to justify the exercise of the Registrar's discretion.

15. Ms Jones maintained that Rule 76 should be invoked and discretion applied in respect of the late Forms TM8s and counterstatements filed on behalf of the holder. In response to some of the criticisms made by Ms Denholm, she submitted that:

- The person who provided the witness statement, Trecina Surti, had left the firm and was no longer employed by Novagraaf UK;
- Novagraaf UK was unable to provide a copy of the original email which was sent on 3 September 2018 because it was either not sent or deleted;
- Ms Jones was unable to confirm for how long the system was down on 3 September 2018 as she was away from the office on annual leave on that day;

16. She further explained that *“upon submission of the two emails dated 4 September 2018, the [Registrar] notified Novagraaf UK that the TM8 in relation to Registration No. 3250467 was not attached and was resubmitted on 18 September 2018”* and that *“on review of the emails as sent from [their] system, the TM8 and counterstatement were both attached”*. She relies on this in support of the proposition that *“[it] further highlights technical difficulties that were outside of the [holder]’s control; the documentation was attached, yet not received by the Office”*. Copies of two email headers were provided; these show that on 4 September 2018, Novagraaf UK sent to the Tribunal two separate emails, the first one at 10:39 (attached to this were a Form TM8 and counterstatement for the mark no. 3250467) and the second at 10:40 (attached to this were a Form TM8 and counterstatement for the mark no. 3254511). Having checked the Tribunal's records, it appears to confirm Ms Jones's account.

17. Finally, Ms Jones provided a list of proceedings between the parties, which, she said, are particularly intertwined with the cancellation actions at issue *“in that they form the basis of some of the other action”*. The list provided by Ms Jones is as follows:

UK00003254511	VIVO	Cancellation CA000502019
UK00003250467	vivo	Cancellation CA000502020
UK00003311156	vivo	Opposition No. OP000413934
EU 016239981	vivo	Opposition Nos. 002916792 and 002913609
EU 016619603	vivo	Opposition Nos. 002951947 and 002925009
EU 017100652	vivo	Opposition Nos. 002986316 and 002982141
EU 017193681	VIVO	Opposition Nos. 003005918 and 003003608
EU 017364282	VIVO	Opposition Nos. 003036616 and 003033894
EU 017902827	vivo	Opposition No. 003064950

18. The cases listed are all but one pending applications filed by the holder for various UK and EU marks incorporating the word VIVO and opposed by the cancellation applicant (or what appear to be a parent company). The other case (opposition 3064950) consists of an opposition brought by the holder against an application filed by the cancellation applicant; none of the marks at issue here are relied upon by the holder in that opposition.

DECISION

19. There is no dispute that the Forms TM26(l)s were correctly served on 2 July 2018 and that the holder was notified that there was a deadline of 3 September 2018 for the service of the TM8s and counterstatements.

20. Ms Denholm’s main submission at the hearing was that the holder cannot satisfy the requirements of Rule 41(6) because it cannot satisfy either the “compelling reasons” or the “extenuating circumstances” of the test established by *Kickz* and *Mercury*. She reiterated that Rule 76 should not be applied, however, she provided no specific reasons to support her argument. In particular, it was not clear whether she was arguing that the provisions of Rule 76 are not intended to apply to the inextensible time limits prescribed by Rule 41(6) or, alternatively, that the evidence was insufficient to satisfy the requirement for the application of Rule 76 and establish that the failure to file the forms within the specified timescale “was wholly or mainly attributed to a delay in, or failure of, a communication service”. I questioned Ms Denholm on whether she accepted that the reference in Rule 76 to the power of the Registrar to extend “any time limit in [the] Rules” means that it applies to any time limit prescribed by the Rules, including

those for the filing of defenses in cancellation actions. Her response was that she accepted the Tribunal's position that it was the case.

21. As I confirmed at the hearing, in my view, the time limit prescribed by Rule 41(6) is not excluded from the Registrar's power to extend time limits under Rule 76. Further, in my view, the application of Rule 76 is not altered (or supplemented) by the provision of Rule 41(6) and applies independently, not cumulatively. Rule 76 is confined to situations where the failure to do something under the Rules (within a timescale prescribed by the Rules) is wholly or mainly attributable to a delay in, or failure of, a communication service. It does not specifically subject the Registrar's power to extend time limits for delays in communication services to the conditions which governs the Registrar's discretion under Rule 41(6).

22. For this reason, the correctness of the preliminary view expressed by the Registrar that the time prescribed by Rule 41(6) should be extended under Section 76 so as to permit the filing of the late Forms TM8s and counterstatements depends upon the answer to the question of whether the Registrar was right to be satisfied that the failure to file the Forms TM8 and counterstatements on time was wholly or mainly attributable to a delay in, or failure of, a communication service.

23. The holder's representatives acted promptly to file the Forms TM8s in the morning immediately after the deadline had expired, but I note that the evidence of Ms Surti explaining the reasons for the delay was very brief. She explains that the forms were actually filed via email on the last day of the deadline and that, for some unspecified IT issues, they were not delivered. She also says that "immediately upon realising that that was the case, we submitted the documents the following morning at 10:40".

24. Ms Denholm submitted that Ms Surti's explanation for the lateness of the defences does not provide enough information to establish whether the missing of the deadline could have been avoided with greater diligence. She also submitted that there was some culpable error on the part of the holder's representatives because they left the filing of the documents until the last day of the deadline; had they filed the forms earlier, the IT issue would not have been fatal.

25. With regard to the first point, Ms Denholm accepted that the holder's representatives had experienced some IT issues on the day the deadline for the filing of the defences expired, i.e. 3 September 2018. It also appears from what Ms Jones said at the hearing (which seems to be confirmed by the Tribunal's records) that there were still some residual IT issues on the morning of the 4 September, when the two Forms TM8s were filed, since the attachments to the email sent at 10:39 were not delivered. Further, the Forms TM8s filed on the 4 September carry the date of 3 September which corroborates Ms Surti's evidence that they were actually filed on that date. It is true that Ms Surti did not clearly say when the issue came to light and how long it lasted, however she said in her statement that "immediately upon realising" that the Form TM8s had not been delivered, they submitted the documents the following morning at 10:40. In my view, the words "immediately upon realising" suggest that the holder's legal representatives learned that there had been a failure in the delivery of the documents only on 4 September, in which case it would be unreasonable to expect that they had attempted to re-file the document on the 3 September. I also take into account that Ms Surti is no longer employed by the holder's representatives, that her evidence was not challenged by the cancellation applicant and that there has been an error on the part of the Tribunal in progressing the request for a hearing, which means that over 7 months have passed since the facts of the 3 September occurred which, realistically, means that it would be very difficult for the holder's representative to provide more specific information as regards to timing of the events of the 3 September.

26. Taking into account all of the above, I am satisfied that, on the balance of probabilities, the failure to file the Forms TM8s within the deadline of 3 September 2018 was, at the very least, mainly attributable to a delay in, or a failure of, a communication service, namely the email service, as provided for by Rule 76. The fact that the representatives' office left the filing of the forms until the last day of the deadline might have contributed to the failure to meet the deadline but, in my view, the holder should not be automatically penalised for it.

27. My decision is therefore to confirm the Registrar's preliminary view which admitted the late filed Forms TM8s into the proceedings.

28. As my decision does not conclude the proceedings, I make no awards of costs.

12th April 2019

Teresa Perks
For the Registrar
The Comptroller-General