

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 2126888
BY CASWICK LIMITED**

AND

**OPPOSITION NO. 47537 THERETO
BY THE THOMPSON MINWAX COMPANY
AND A REQUEST BY THE OPPONENT TO SUBSTITUTE
THE SHERWIN WILLIAMS COMPANY
AS THE OPPONENT IN THE PROCEEDINGS**

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BACKGROUND

The Thompson Minwax Company (TMC) filed opposition against application no. 2126888 on 18 September 1997. The grounds of opposition included Section 5(2)(b) i.e. based on an earlier trade mark, in the instant case various registrations and applications in the United Kingdom.

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In a letter dated 15 December 1998 the agents for the opponent requested that the name of the opponent should be amended to The Sherwin Williams Company (SWC). The letter stated:

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“Following the merger of The Thompson Minwax Company and The Sherwin Williams Company, The Sherwin Williams Company has been recorded as proprietor of the earlier rights relied upon in this opposition. It is therefore requested that the name of the Opponents be amended from The Thompson Minwax Company to The Sherwin Williams Company. The Sherwin Williams Company have confirmed to us that they have seen all of the documentation relating to the opposition, they are willing to stand by the Statement of Grounds of Opposition, and accept liability for any costs arising from the opposition.”

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This request was reconfirmed in a Statutory Declaration executed by Alan Michael Fiddes on 16 December 1998 (a declaration which was filed primarily as evidence in reply under Rule 13(7)).

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In a letter dated 15 January 1999 the agents for the applicant sought confirmation that the assignment of the relevant United Kingdom trade marks from TMC to SWC had been executed and that the document had been correctly stamped. They have made no further submissions in relation to the issue of the substitution of parties.

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In a letter dated 15 March 1999 the Trade Marks Registry advised that the substitution of opponents was not permissible. The letter further advised that this view had arisen as a result of a decision in relation to a 1938 Act case. At the time of the writing of the letter the opponent was advised that further information in relation to this decision could not be divulged as the file was not open to public inspection. (However, subsequent to this letter a statement of grounds was issued and this is in the public domain - SRIS O/086/99.)

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Subsequent to the above letter the agents for the opponent wrote a further letter dated 13 April

1999. The letter stated inter alia:

5 “The application to amend the opponent has been made on administrative grounds, as the
Thompson Minwax Company have merged with The Sherwin Williams Company to form
one legal entity, namely The Sherwin Williams Company. All the rights of action which
belonged to The Thompson Minwax Company have therefore been encompassed within
the new legal entity The Sherwin Williams Company. It is for this reason that we have
requested an amendment to the opponent, to reflect this amendment and the fact that the
10 prior rights upon which the opponents are relying have been amended to reflect The
Sherwin Williams Company as their proprietor.

15 We understand that the decision upon which this issue is being decided was not reached
until the early part of January 1999. However, the request to amend the opponent was
forwarded to the Trade Marks Registry on the 15 December 1998 prior to the date of the
decision. It is therefore considered that the request to amend the opponent should be
decided upon the practice standing at the time of the request, and that a subsequent
decision should not be retrospectively applied to our request. The rights of the opponent
should not be prejudiced by any delay on the part of the Registry in dealing with the
20 request to amend.

25 Furthermore, as the decision relates to a 1938 Act application, we are not in a position to
review the decision and relate the facts of the case to the facts of the present case.”

30 The Trade Marks Registry continued to refuse to allow the substitution of the opponent;
consequently an interlocutory hearing was arranged. In the event neither party chose to attend
the Hearing but the agents for the opponent furnished written submissions.

35 In the submission the agents for the opponent give a brief chronology of events relating to the
issues.

40 The agents submitted that because the opponent was merged with another company there was not
an actual change in the opponent; the request to amend TMC to SWC was merely a request to
reflect an administrative change. It was therefore submitted that the position outlined in the
Notice in the Trade Marks Journal on 7 April 1999 did not apply in the instant case. (The notice,
35 which is appended to this decision as annex A, advised that the Registrar did not consider that it
was possible to substitute opponents.) It was submitted that it was not a request to substitute the
opponent merely to reflect an amendment in the opponent’s position.

45 Further it was submitted that the notice in the Journal stated that the change of practice was to
be effective from 3 February 1999, the request to amend the opponent’s details was made on 15
December 1998. Therefore the request should be dealt with under the practice that existed as of
15 December 1998 which would have allowed for the amendment of the opponent. It was
submitted that the opponent should not be penalised because of the delay by the Registry in
dealing with the request for amendment.

The agents summarised their position as follows:

5 “Therefore, it is submitted that the request to amend the Opponent from the Thompson Minwax Company to The Sherwin Williams Company should be allowed, firstly on the ground that this request to amend the Opponent and not a request to substitute the Opponent, and secondly on the grounds that the request to amend the Opponent had been made prior to any change in practice becoming effective.”

Finally the agents for the opponent noted that no objection to the amendment of the opponent had been lodged by the applicant.

10 Having carefully considered the submissions on behalf of the opponent I decided that it was not possible to change the opponent. I also decided that as TMC no longer existed it was not possible for the proceedings to continue in the name of TMC.

15 Consequent upon this decision the opponent filed form TM5 requesting a formal statement of grounds.

DECISION

20 The Trade Marks Act 1994 Section 38(2) states:

“Any person may, within the prescribed time from the date of the publication of the application, give notice to the Registrar of opposition to the registration.

25 The notice shall be given in writing in the prescribed manner, and shall include a statement of the grounds of opposition.”

The prescribed time and the prescribed manner are set out in Rule 13 of the Trade Marks Rules 1994. The Rules at the time of the filing of the opposition stated:

30 “**13.**-(1) Notice of opposition to the registration of a trade mark shall be sent to the registrar on Form TM7 within three months of the date on which the application was published under rule 12, and shall include a statement of the grounds of opposition; the registrar shall send a copy of the notice and the statement to the applicant.

35 (2) Within three months of the date on which a copy of the statement is sent by the registrar to the applicant the applicant may file, in conjunction with notice of the same on Form TM8, a counterstatement; the registrar shall send a copy of the Form TM8 and the counterstatement to the person opposing the application.

40 (3) Within three months of the date on which a copy of the counterstatement is sent by the registrar to the person opposing the registration, that person shall file such evidence by way of statutory declaration or affidavit as he may consider necessary to adduce in support of his opposition and shall send a copy thereof to the applicant.

45 (4) If the person opposing the registration files no evidence under paragraph (3) above, he shall, unless the registrar otherwise directs, be deemed to have abandoned his opposition.

5 (5) If the person opposing the registration files evidence under paragraph (3) above or the registrar otherwise directs under paragraph (4) above, the applicant shall, within three months of the date on which either a copy of the evidence or a copy of the direction is sent to the applicant, file such evidence by way of statutory declaration or affidavit as he may consider necessary to adduce in support of this application, and shall send a copy thereof to the person opposing the application.

10 (6) Within three months of the date on which a copy of the applicant's evidence is sent to him, the person opposing the application may file evidence in reply by statutory declaration or affidavit which shall be confined to matters strictly in reply to the applicant's evidence, and shall send a copy thereof to the applicant.

15 (7) No further evidence may be filed, except that, in relation to any proceedings before him, the registrar may at any time if he thinks fit give leave to either party to file evidence upon such terms as he may think fit.

(8) Upon completion of the evidence the registrar shall, if a hearing is requested by any party to the proceedings, send to the parties notice of a date for the hearing.”

20 (The above Rule has been amended since the date of the filing of the opposition but the amendments are not pertinent to the instant case.)

The rule relating to the extension of time periods is Rule 62, which stated in the unamended rules inter alia:

25 **62.-** “(1) The time or periods-
(a) prescribed by these Rules, other than the times or periods prescribed by the rules mentioned in paragraph (3) below, or
(b) specified by the registrar for doing any act or taking any proceedings,
30 may, at the request of the person or party concerned, be extended by the registrar as he thinks fit.....

35 (3) The rules excepted from paragraph (1) above are rule 10(6) (failure to file address for service), rule 11 (deficiencies in application), rule 13(1) (time for filing opposition), rule 13(2) (time for filing counter-statement), rule 29 (delayed renewal), rule 30 (restoration of registration).”

(Again the amendments to the rules are not material to the issues in the instant case.)

40 Consequent upon the above the period for filing opposition is a non-extendable period. This is a change from the situation in relation to The Trade Marks and Service Marks Rules 1986. However, it is a position that was familiar in relation to applications for patents before the United Kingdom office; until the enactment of the 1977 Patents Act. The non-extendable opposition period was a matter which was dealt with by *Bamfords Application* (1959) RPC 66. In *Bamfords*
45 a similar position obtained as in the current proceedings, where the opponent was completely subsumed by another company. In that case The Assistant-Comptroller ruled that it was not possible for an opponent to be substituted. I take particular note of the following comments of

The Assistant-Comptroller (I have quoted from this decision at length as it is particularly pertinent in the instant case):

5 “Mr. *Lochner*’s argument involves, in effect, two main propositions. Firstly, he says that in civil proceedings a cause or matter does not become defective by the assignment or devolution of an estate or title *pendente lite* (Rules of the Supreme Court, O. 17, R.1) and that where there is a change of transmission of interest or any person interested comes into existence after the commencement of a cause or matter, the Court may order that the proceedings shall be carried on between the continuing parties and a new party (O. 17, R. 4.) Mr. *Lochner* argued that, by parity of procedure, a party who has acquired from an original opponent the interest which justified the opposition, should be substituted for or added to the original opponent.....

15 “In general in civil proceedings only the two parties, plaintiff and defendant, are involved. The defendant has taken or proposes to take some positive action injurious to the plaintiff. There is not any further question of public interest or economic policy. The position as regards oppositions is different. The applicant for a Patent is asking for a privilege - a monopoly - to which he is entitled under certain statutory conditions. The grant of such privilege, if justified, is considered to be in the public interest as well as in that of the applicant. The request for a Patent is not some positive action taken or proposed to be taken against the opponents’ interest. At the most, the request can only establish a patent position in which the patentee might be able to injure the opponent. The interest to oppose is thus, I think, different in character from the right of a person to bring an ordinary civil action. In the latter case the public are not really concerned- certainly not in the matter of the time when the action is brought. In the case of patent applications, the applicant is entitled to have his statutory right to a monopoly settled as quickly as possible and without unreasonable interference, not to be kept in suspense longer than necessary. It must be for these reasons, I think, that Sec. 14 imposes a time limit of three months for giving notice of opposition, and that the authorities have said that a person who lodges notice of opposition must, at the time he does so, have a real and existing interest which may be injured if a patent is granted. Further, it must be noted that the Legislature has provided alternative remedies which are open to those who do not oppose during the three months period between the publication of a specification and the grant of a Patent. A person who subsequently acquires an interest which may be injured by the Patent can apply to the *Comptroller* for its revocation during the first year after its grant, or to the Court at any time. For these reasons, I do not consider that the procedure in opposition proceedings in the matter of the substitution of a party which acquires an interest to oppose must follow that in civil actions.”

40 The above states that before the Registrar the position that relates to civil proceedings, where the substitution of parties in proceedings following assignment of rights is allowed, does not hold sway. (Order 15, rule 7/16 of the Rules of the Supreme Court and Rule 19.1 of the Civil Procedure Rules currently relate to this issue.) I also take note that in *St Trudo* (1995) RPC 379 at lines 19-20 Ferris J states:

45 “Before the Registrar the Rules of the Supreme Court have no part to play.....”

Proceedings before the Registrar are discrete from those before the courts in matters of procedure.

5 *Bamfords* confirms the decision of the Hearing Officer in the case of SRIS 0/086/99 of the possibility an opposition continuing in the name of an original opponent, although it might have been purchased:

10 “I think I should express my considered view that if *The Badger Coy.* survives and its *locus standi* at the time of the opposition is established it is free to continue to prosecute the opposition.”

In the instant case this is not possible as the original opponent no longer exists, it is a *sine qua non* that for there to be an opposition there has to be an opponent - a person.

15 I note that in relation to *Bamfords* there is one element that differs from the position in relation to a trade mark opposition, in that there was a requirement for a *locus standi*; there is no such requirement in relation to a trade mark opposition. (The lack of a requirement for a *locus standi* strengthens the position of refusing the substitution of an opponent, it allows within the three month period for any person to oppose, even if that opposition is based on a consideration of
20 futurity. In the instant case the party for whom substitution was sought was in existence prior to the filing of the opposition, indeed TMC had been subsumed into SWC prior to the filing of the opposition. It would appear to have been more appropriate for the opposition to have been filed in the name of SWC. I deal with issue of the existence or otherwise of TMC and SWC at the date of the filing of the opposition at the conclusion of this decision.) However, *Bamfords* deals with the same fundamental issue, whether in opposition proceedings, which are covered by a non-extendable time limit, it is possible to transfer the opponent’s interest in the proceedings. Unlike an application which is a piece of property which is owned, and hence can be assigned, an opposition is a procedure; the opponent is a party to the proceedings, he does not have any proprietary rights. It is therefore not a matter in which he can “assign” his interest. Here there
25 is a clear difference with post grant actions in which a new party can intervene upon the basis of Rule 31(5). Rule 31(5) gives a specific mechanism to encompass a transfer of interest, to allow an intervention. Rule 13 does not allow for any such transfer of interest. If the legislature had intended that one party could be substituted for another in opposition proceedings a rule such as Rule 31(5) would have been included under the provisions of Rule 13. In the case of *Langley v North West Water Authority* (1991) 3 All ER 610 it was stated that the County Court had inherent jurisdiction to make directions regarding its own procedures provided that such directions were not inconsistent with the Rules of the Court or any other statutory provisions. To allow the substitution of parties would be at variance with The Trade Marks Rules 1994. In the case of an opposition falling because the opponent ceases to exist, or transfers its interest in
30 trade marks which represent the basis of opposition under Section 5, the new party has recourse to the mechanism of invalidity proceedings; once the application is registered. The testing of the validity of the grounds of objection can be resuscitated, they are not subject to a final termination by virtue of the failure of the opposition proceedings (subject of course to estoppel, which would not be an issue in the instant case).

45 It is also fundamental to an opposition that there is an opponent, to allow a substitution of an opponent is to allow a *de facto* extension of time to the opposition period, something which is

not permissible under the rules, as I have stated above. A time period has been stipulated in the regulations in order that questions as to the validity or otherwise of an application can be dealt with expeditiously. To allow for the substitution of parties would be to allow potentially for the trading in oppositions. Although I must emphasize that this is clearly not the case in the instant case.

The agents for the opponent have also argued that if my interpretation of the issue of the substitution of opponents is correct it should not apply in the instant case for two reasons.

Firstly that there is not an overall change in legal entity. I cannot agree with this interpretation, SWC came into being with the merger of three companies. With the effect of the merger TMC no longer existed. I cannot see how that SWC can be viewed as other than a different legal entity. I also note that this submission is contradictory to the letter from the agents for the opponents dated 13 April 1999, part of which I have quoted above and which I refer to again:

“The application to amend the opponent has been made on administrative grounds, as the Thompson Minwax Company have merged with The Sherwin Williams Company to form one legal entity, namely The Sherwin Williams Company. All the rights of action which belonged to The Thompson Minwax Company have therefore been encompassed within the **new legal entity** (my emphasis) The Sherwin Williams Company.”

Secondly it is argued that the “new practice” should not affect the instant case as the request for a change of opponent was made before it was announced in The Trade Marks Journal and before the effective date quoted in that announcement. The Registrar had previously allowed for the substitution of opponents in certain circumstances. Chapter 15 of the Work Manual stated:

“3.9 Change of opponent

Transfer of interest in a mark:

An opponent may cite the existence of an application or registration in their ownership in their grounds of opposition, or may claim to have rights in a mark for which no application has been made. If they later sell or assign these rights, the new owner may ask for their name to be substituted as opponents. If there is an application to record the transfer as a registrable transaction or they can provide suitable documentation to confirm the transfer the Registrar will usually allow the request subject to any comments made by the applicant. If the applicant objects it may prove necessary to arrange an interlocutory hearing. If the transfer is to be allowed, the new opponent should be asked to provide written confirmation that they:

- # have had sight of any forms or evidence filed, (if not, they will have to make arrangements to do so with the original opponent)
- # stand by the grounds or statements made in the Notice of Opposition/evidence and confirm that where the name of the original opponent appears this should be read as though it is made in their name

are aware of and accept their liability for costs for the whole of the proceedings in the event of the opposition being unsuccessful

5 They must also provide details of an address for service in the UK if none has previously been given.”

10 This is not an argument that attracts me. I have to apply the law at the date of my decision as I understand it. My interpretation of the law is that the Trade Marks Rules 1994 have never allowed for the substitution of opponents outside of the period allowed for the filing of opposition. Consequently there are no vires to allow the substitution, and never have been. I could not sanction an action that was ultra vires through an act of judicial amnesia.

15 In the event that I am wrong in the above I turn to a further matter, and one that has not been the subject of the decision that was issued. As an annex to their submissions the agents for the opponent have included a copy of the certificate of merger. In that certificate it is stated that SWC came into being on 31 March 1997 at 11.59 p.m. Consequently at this time TMC ceased to be a legal entity. The notice of opposition was filed in the name of TMC on 18 September 1997. So when the notice of opposition was filed TMC no longer existed. As I have stated above it is a sine qua non that for there to be a valid opposition there has to be an opponent. As TMC 20 was no longer in existence at the time of the filing of the opposition it cannot be considered as satisfying the criteria of being a person. Therefore the opposition would have to be dismissed on this basis also.

25 As stated in the letter of 20 May 1999 advising of my decision, this is not a case where I consider that it would be appropriate to award costs to either party. The substantive issue has not been tested, neither party has requested to withdraw from the proceedings. The dismissal of the proceedings is the result of a reinterpretation of the law. It appears that the agents for the applicants are at least tacitly content to allow the substitution of the opponent, which I will not allow. Consequently it strikes me that it would be iniquitous to award costs against the 30 opponent, if a request to this effect came from the applicant.

Dated this 5 day of June 1999

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DW LANDAU
For the Registrar
The Comptroller General

ANNEX A

Substitution Of Opponents In Inter-partes Proceedings

This notice is to advise practitioners of a change in the Registrar's practice which affects oppositions where a request is made to replace one opponent in inter partes proceedings before the Registrar with another.

At a recent Interlocutory Hearing regarding an opposition filed under the 1938 Act, the Registrar's Hearing Officer held that as it is no longer necessary for an opponent to have locus standi in opposition proceedings and following the introduction of an unextendable opposition period in the Trade Marks Rules 1994; in the absence of specific provision in either the Trade Marks Act 1994, or Trade Marks Rules 1994 (as amended by the Trade Marks (Amendment) Rules 1998), that substitution of the opponent outside of this period would constitute a de facto extension of time to an unextendable period and therefore could not be allowed. The opposition was accordingly deemed withdrawn under the provisions of Rule 13(3). The decision itself is not open to public inspection in accordance with Rule 44(4)(c) of the Trade Marks Rules (as amended by the Trade Marks (Amendment) Rules 1998).

This change of practice is effective from 3 February 1999.

Finally, this change in practice will not affect oppositions which are subject to a change of name where there is no change to the actual legal entity.

Queries in relation to this notice should be addressed to either:

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