

TRADE MARKS ACT 1994

IN THE MATTER OF Opposition filed by Nicholas Dynes Gracey against application No 2024326 in the name of Meat Loaf

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DECISION

10 Application No 2024326 for the mark “Meat Loaf” in Classes 9, 16, 25 and 41 filed in the name of Meat Loaf, C/o Tribe, 201 North Robertson Boulevard, Suite A, Beverly Hills, California 90211, United States of America was accepted for registration by the Trade Marks Registry and published for opposition purposes in Trade Marks Journal No 6118 on 27 March 1996.

15 On 27 June 1996 Form TM7 notice of opposition was filed by Mr Dynes Gracey. The grounds of opposition were based on his earlier registration No 1335160 for the mark “Bat” in Class 25. Form TM7 was accepted as correctly filed and on 11 October 1996 the agents acting for the applicants of No 2024326, Carpmaels & Ransford filed Form TM8 Form and a counterstatement denying the grounds of opposition. Mr Gracey was notified of this
20 counterstatement in an official letter of 24 October 1996 and in a further letter on 25 October, following a query from the applicant’s agent, he was asked to confirm that the opposition related only to Class 25. A response to this second letter was requested from Mr Gracey within 14 days.

25 On 20 January 1997 Mr Gracey responded by facsimile transmission to the official letter of 25 October 1996 but this did not fully resolve the question and a further letter was issued on 27 January 1997 further seeking confirmation by facsimile transmission that the opposition did in fact only relate to Class 25. Mr Gracey on 10 February 1997, sought a further 7 days in which to respond.

30 A letter from the Trade Marks Registry dated 14 February 1997 agreed to the further 7 days sought. That letter also pointed out to Mr Gracey that as evidence under Rule 13(3) of the Trade Marks Rules 1994 was due by 24 January 1997 a retrospective extension of time request should be filed on Form TM9. A further three facsimile transmissions were received
35 from Mr Gracey in the period 17-21 February 1997 which did not address the extension of time question. On 21 February 1997 in a telephone conversation with a member of the Registry Mr Gracey confirmed his opposition related to Classes 16 and 25 of application No 2024326 only; he also advised of his intention not to submit Rule 13(3) evidence but to rely on oral submissions at a hearing. In response an official letter agreed to the reliance on oral
40 submissions subject to the submission of a formal request for an extension of time (form to cover the period between the expiry of the time for filing Rule 13(3) evidence and the date of the notification of the intention to rely upon oral submissions at a hearing), giving seven days for a response. In the absence of a response Mr Gracey was informed that the opposition proceedings would be abandoned in accordance with Rule 13(4).

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Despite a facsimile dated 3 March 1997 from Mr Gracey again confirming he wished to rely on oral submissions at hearing no formal extension of time request was submitted. Thus an

official letter was issued on 12 March 1997 informing Mr Gracey that the opposition was deemed to be abandoned under the provisions of Rule 13(4). A further facsimile dated 21 March 1997 from Mr Gracey again repeated the intention to rely on submissions at hearing but no action was taken and Mr Gracey's opposition having been deemed abandoned application
5 No 2024326 was registered under the provisions of Section 40 of the Act on 1 April 1997.

Subsequently, the Trade Marks Registry decided that the decision to deem abandoned the opposition proceedings may have been an error, because Mr Gracey had indicated his wish, in the absence of evidence, to support his opposition by means of oral submissions at a Hearing
10 held to consider the substantive issue despite the fact that he had not complied with the requirement to seek an extension of time. In the event Mr Gracey was given an ex-gratia payment equating to the opposition fee in acknowledgement that an administrative error had occurred in deeming the opposition proceedings abandoned despite his wish to rely on oral submissions. A number of official letters spaced over the period 23 May 1997 to 23 December
15 1998 responded to various points made by Mr Gracey regarding re-opening of the proceedings. The Trade Mark Registry took the view that this was not possible and that the only action now available to him was to request a Declaration of Invalidity in respect of registration No 2024326. By facsimile dated 1 February 1999 Mr Gracey requested an interlocutory hearing to discuss the opposition. This request was refused on 4 February 1999
20 as the time limit for requesting such a hearing was 14 days from the notification of abandonment of proceedings.

Following this refusal I am now asked under Section 76 of the Act and Rule 56 of the Trade
25 Marks Rules 1994 to state in writing the grounds of my decision and the materials used in arriving at it.

Rule 13(1) of the Trade Marks Rules 1994 reads as follows:

13. (1) Notice of opposition to the registration of a trade mark shall be sent to the registrar on Form TM7 within 3 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.
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Form TM7 was filed on 27 June 1996 within the timescale laid down in Rule 13(1) and although the grounds of opposition were not totally clear at that point it was accepted as a validly filed opposition. Following receipt of the counterstatement from the applicant the opponent was advised under official letter dated 24 October 1996 that a period of 3 months was allowed to file evidence under Rule 13(3). The procedure for seeking an extension of time (if necessary) was also explained in this letter.
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As the grounds of opposition were not clear representations were made by the applicant via the Office to clarify the opponent's intentions. This resulted in a number of facsimile transmissions and a telephone call from the opponent, the result of which was confirmation that the grounds of opposition were based upon the opponents earlier trade mark No 1335160 and related to Classes 16 and 25 of No 2024326.
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Following despatch of the counterstatement to the opponent evidence under Rule 13(3) was

due. Rule 13(3) reads as follows:

5 13(3) Within three months of the date on which a copy of the counter-statement 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.

10 No such evidence was provided by the opponent by the due date neither did he seek any further time for doing so. The opponent was reminded of the need to do so both by telephone and letter. However, it is here things started to go wrong. It would seem that the registry official dealing with the proceedings agreed over the telephone that Rule 13(3) evidence need not be submitted by Mr Gracey in the light of his wish to rely on oral submissions at hearing. But the same official also insisted that an extension of time request should be filed within
15 seven days to cover the period between the date on which evidence was due and the date on which the agreement that proceedings should continue absent such evidence but on the basis of oral submissions at hearing. In the event the request for an extension of time was not forthcoming and the opposition was deemed to have been abandoned under Rule 13(4) which reads:

20 13(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.

25 By practice directions published in Trade Marks Journal No 6102 the circumstances in which opposition proceedings may be allowed to proceed without the filing of evidence are clearly laid out:

30 **Opposition: Abandonment of Proceedings**

In opposition proceedings, both under the Trade Marks Act 1938 and the Trade Marks Act 1994, where an opponent does not file evidence in support of his opposition the Registrar has a discretionary power to allow the proceedings to continue, rather than deem the opposition abandoned.

35 The Registrar's practice in the exercise of this discretion is set out, in respect of 1938 Act cases, in Chapter 26 of the Work Manual, paragraph 26-28, and respect of 1994 cases, on page 22 of Chapter 15 of the Draft Work Manual.

40 In both cases, the Registrar will generally allow the proceedings to continue if the opponent:-

45 i) has based at least part of his opposition on an existing registration (Section 12(1) of the 1938 Act or Section 5 of the 1994 Act) and

ii) states that he intends to rely on submission at hearing.

Recent experience has shown that the Registrar's practice in such cases, does not cover situations in which the opponent later changes his mind as to the subsequent

conduct of proceedings. In future, in order to reduce the risk of unnecessary expense and waste of time, the Registrar will ask for a full statement of an opponent's intentions in the matter of the conduct of his opposition, before taking a decision on continuation of the proceedings and issuing a direction, under Rule 50 of the Trade Marks and Service Marks Rules 1986, or under Rule 13(4) of the Trade Marks Rules 1994. He will also consider making his decision provisional, conditional upon the opponent's compliance with the procedure agreed. Subsequently, if a hearing is not sought by the opponents, or if the agreed procedure is not complied with, the opposition may be deemed abandoned as of the original date for the filing of evidence. The applicants, however, will be free to seek an appropriate award of costs, in the usual way.

This change of practice will be reflected in future editions of the Work Manual, but is effective as of the date of this Journal.

It is clear that Mr Gracey met the conditions which would normally enable the Registrar and her staff to allow these proceedings to continue. But he did not meet the condition imposed which required him to request an extension of time to cover the time between the end of the prescribed 3 month period for filing evidence and the date of the request. This request would also have enabled the applicants or their agents to have commented upon the proposed exercise of the Registrar's discretion.

Mr Gracey in the event did not comply with the requirement and thus the opposition was deemed abandoned. This was harsh, though the Trade Marks Registry had imposed a requirement upon Mr Gracey and he had not complied. Moreover, the Trade Marks Registry had excluded the applicants in the consideration of the exercise of discretion in the opponents favour. This harsh decision was recognised by the Trade Mark Registry through the ex-gratia payment.

In written submissions Mr Gracey argued that his opposition was validly filed and there had been an irregularity in procedure in or before the office and that Rule 60 of the Trade Marks Rules 1994 should be used to rectify the irregularity by removing the mark from the Register and allowing the opposition procedure to continue. There was no fault on his part and this had been recognised by the award of the ex-gratia payment issued by the registrar.

The relevant part of rule 60 reads as follows:

- “(1) Any irregularity in procedure in or before the Office or the registrar may be rectified, subject to paragraph (2) below, on such terms as he may direct.
- (2) In the case of an irregularity or prospective irregularity-
 - (a) which consists of a failure to comply with any limitations as to times or periods specified in the Act, these Rules or the old law as that law continues to apply and which has occurred or appears to the registrar as likely to occur in the absence of a direction under this rule, and
 - (b) which is attributable wholly or in part to an error, default or omission on the part of the Office or the registrar and which it appears to him

should be rectified,

he may direct that the time or period in question shall be altered in such manner as he may specify.”

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Though Mr Gracey’s failure to comply with the conditions attached to the decision to allow these proceedings to continue absent any evidence from him contributed significantly to the situation he found himself in. I am satisfied that there may have been an irregularity in procedure *in* the Office in that the Practice Direction was not followed and the opposition was

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incorrectly deemed abandoned under Rule 13(4). However, application No 2024326 is now on the register in the name of a person registered as proprietor. It therefore appears to me that by the terms of section 72, the registration must be presumed valid in the *prima facie* case. Section 72 reads as follows:

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“In all legal proceedings relating to a registered trade mark (including proceedings for rectification of the register) the registration of a person as proprietor of a trade mark shall be *prima facie* evidence of the validity of the original registration and of any subsequent assignment or other transmission of it.”

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In a decision of the Registrar, the DUCATI case [1998] RPC 7 it is made clear that rule 60 cannot be used to take a registered mark off the register.

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“ It follows that the discretion to rectify an irregularity in proceedings, as provided by rule 60, should only be exercised while the proceedings in question are actually before the registrar. In the present case, the registration process has already concluded and the proceedings are no longer before the registrar. In my view, any party wishing to contest the validity of the registration must now look elsewhere for a remedy. In this context I would observe that Parliament has made specific provision in section 47 of the Trade Marks Act 1994 whereby any person may apply for a declaration of

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invalidity”

As the registration process in relation to No 2024326 has now concluded there are no proceedings currently before the Registrar and I take the view rule 60 cannot be used to correct the alleged irregularity in procedure *in* the Office.

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In correspondence Mr Gracey drew my attention to both the ST KEA (SRIS No. 0/150/97) and RAPID SPORTSLINE (SRIS No. 0/189/98) cases. In the second of these cases Mr S J Probert acting for the Registrar gave a summary of the ST KEA (unreported) case:

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“THE ST KEA Case

In ST KEA, the Registrar decided that he had acted *ultra vires* when he registered trade mark **m** 2001526 and he ordered that the mark be removed from the register and the status of the mark amended to OPPOSED. In reaching this conclusion in ST KEA, the hearing officer considered that there had been a validly filed opposition to application 2001526 at the time the mark was allowed to proceed to registration. This was clearly contrary to section 40 of the Trade Marks Act 1994, and he considered that consequently the registration was void and of no effect.

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I accepted at the hearing before me on 27 May that it was not easy to rationalise these apparently conflicting decisions, issued on the same day. For the purpose of my decision in the matter before me, I distinguished between the two earlier decisions according to whether or not a validly filed Form TM7 (Notice of Opposition) had been received in the Office **before** the application became registered. If there had been a validly filed Form TM7 (Notice of Opposition) **before** registration took place, then the act of registering the mark could be described as ultra vires.”

This would seem to support Mr Gracey’s contention in a number of letters that the Registrar had acted ultra vires when he registered No 2024326. However, in RAPID SPORTSLINE Mr Probert went on to say:

“Notwithstanding this, I follow here the opinion expressed in DUCATI that, had the application not subsequently become registered, it would have been possible to use rule 60 to rectify the irregularity in retrospect by correcting the Notice of Opposition that had been filed within the opposition period. But the fact remains that application **m** 1529089 was registered on 25 April 1998, and for all the reasons that were given in DUCATI, I do not believe that rule 60 gives the Registrar the power to remove trade mark **m** 1529089 from the register.”

In the circumstances it seems to me that there was an irregularity in procedure before the Office which might have been corrected by the use of Rule 60. But that is now water under the bridge. The fact is that the application the subject of the opposition proceedings which were deemed abandoned is now a registered trade mark and in accordance with the decisions of Mr Probert in DUCATI and RAPID SPORTSLINE cannot be summarily removed from the Register, the registrar having no power to do so. Mr Gracey’s request for the proceedings to be re-opened must be refused.

This is not the end of the matter however, as in his letter of 5 December 1998 Mr Gracey requested an interlocutory hearing in relation to this matter. The notice advising Mr Gracey that his opposition was deemed abandoned was issued on 12 March 1997. Some twenty months had elapsed therefore since the notification being issued to the request for hearing. The Registrar’s practice is to allow a period of one month from an adverse decision in which to allow a request for hearing. As this request was not received within any appropriate time limit (and no extensions of time were requested) the request for hearing was refused.

Dated this 16th day of October 2000

JANICE SMITH
For the Registrar
the Comptroller General

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