

O-162-04

DECISION OF THE TRADE MARKS REGISTRY

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO: 2287212
BY FLEXTECH TELEVISION LIMITED
TO REGISTER A MARK IN
CLASSES 9, 16, 38, 41 & 42**

**AND OPPOSITION (90603) THERETO
BY IPC MEDIA LIMITED**

BACKGROUND

1. The series of two trade marks – LIVINGTV and LivingTV – were applied for on 3rd December 2001 by Flextech Television Limited for various goods in Classes 9, 16, 38, 41 and 42.
2. Registration of the mark, in relation to a variety of goods and services, was opposed by IPC Media Limited (under opposition No. 90603). This was, in part, based on the IPC's earlier mark No. 923021 living, for printed periodical publications in Class 16.
3. The matter came to a head and a hearing was held in London on 17th February 2004. Towards the end of the hearing, Flextech, through their agents, D Young & Co, asked for a stay to the issuance of my decision until revocation proceedings, initiated the previous day against registration No. 923021, had been completed. Making no decision on this point at that time, I asked Flextech to make a formal request for a stay within ten working days from the date of the hearing. This appeared in a letter dated 24th February 2004, which stated, *inter alia*,:

“... the Opposition proceeded on the assumed basis that Registered Trade Mark Number 923021 (owned by the Opponents) was a valid registration. Whilst we accept that under section 72 of the Trade Marks Act 1994 the registration of a person as proprietor of a trade mark shall be prima facie evidence of the validity such indication can be rebutted and challenged. In this case, such presumption of validity was challenged immediately prior to the Opposition hearing.

On 16th February 2004, we on behalf of our clients lodged a form TM 26(N) seeking revocation of TM Number 923021 on the grounds of non-use. ...

.... Our estimate of the timeframe for such matter to be fully resolved ... would be approximately 8 to 10 months, thereby concluding towards the end of 2004. ...it is self-evident that the outcome of such Application for Revocation is of fundamental importance and could crucially affect the anticipated decision of Dr. Trott on the Opposition. If trade mark Number 923021 is revoked totally or in part it will knock out or significantly undermine the main part of the Opposition, ... based on section 5(2)(b) of the Trade Marks Act 1994 This is the only currently registered mark on which the opposition has been based.

In addition to the Trade Mark the subject of the pending Revocation proceedings, it should also be noted that the other applications cited in the TM7 referred to above, namely UK trade mark applications numbered 2155815 and 2155816 and CTM application number 2270056 which are relied upon in support of the Opposition are under Opposition by our clients via notice of oppositions dated 29 April 2002 to the UK applications numbered 90532 and 90533 and 26 April 2002 to the CTM application and numbered B 503271.

UK Opposition proceedings under numbers 90532 and 90533 are consolidated. A Hearing date in respect of the proceedings is to be agreed with the other side and set before 27 February 2004. Opposition to CTM number 2270056 under number B 503271, is on-going. The Opponent is due to file their further evidence, arguments and observations on or before 5 April 2004.

...

Additionally, challenging registered trade mark Number 923021 under section 47(1) of the Trade Marks Act 1994 on the basis that the trade mark LIVING is devoid of distinctive character and has not acquired a distinctive character as a result of the use made of it, is currently being considered by the Applicant. This may also entail the amendment of the Notice of Oppositions relating to the consolidated proceedings under Numbers 90532 and 90533.

In summary, in the light of the pending revocation application and oppositions referred to above under numbers 81625, 90532, 90533 and B 506271 it would be unfair and improper to allow the hearing officer to rely on an *assumed presumption* of validity of the marks / applications on which the Opposition is based.”

Flextech also suggested in their letter that either a stay be granted, with the decision in the opposition No. 90603 delayed until the conclusion of the revocation proceedings or, alternatively, the decision in the opposition proceedings is not taken until the outcome of the revocation proceedings is known.

4. IPC, through their agents, f j Cleveland, responded in a letter dated 14th April 2004, stating:

“The Opponents [IPC] can confirm that they intend to contest the Revocation action and can further confirm that they strongly oppose the staying of opposition no. 90603 and delaying of the decision.

No new information or change in circumstances occurred prior to the Hearing. The Applicants [Flextech] were free to file a revocation action or application for invalidity, if they felt there were grounds, for several years prior to the Hearing. There has been no explanation given as to why they waited until the day before the Hearing to do so and frustrate the decision making process. The possibility to challenge the presumptions of validity of the registration had been available since January 2001 or at least since the Opponents’ evidence was filed on this case, if indeed this has led the Applicants to form an impression that the registration was vulnerable to cancellation. At the date of the Hearing, the Revocation action had not even been acknowledged by the Trade Marks Registry. The Opponent’s main evidence laying out the use of their mark in support of the opposition was filed in April 2003, at least 10 months prior to the Hearing. Furthermore, this evidence was based on material used in earlier opposition proceedings and as such the Applicants would have been aware of the facts and usage of the Opponent’s well before 2003. Without a reasonable explanation as to why they failed to file a revocation action until the day before the Hearing and on the basis that the registration, for the purposes of this opposition, was *prima facie* valid and the evidence rounds complete, it would not be equitable to delay the decision to the detriment of the opponents”.

5. The Registrar wrote to the parties on 20th April, stating that there were ‘insufficient reasons provided to warrant a stay in the proceedings ... at such a late stage’. Following this refusal to grant the stay, Flextech asked for a hearing to press its case.

HEARING

6. This was held by way of the videolink in Newport and London, where Ms. McFarland of Counsel, instructed by Messrs. D Young & Co, represented Flextech, and Mr. Bernard of Messrs. f j Cleveland appeared on behalf of IPC.

SUBMISSIONS

7. These appeared, in the main, in the parties skeleton arguments. As it is Flextech who must make the case, I will set out a detailed summary of their position first.
8. Flextech make much of the fact that the revocation action was issued the day before the hearing of the opposition in issue. They also refer to fairness and reason (from Ms. McFarland's skeleton argument):

“As the learned hearing officer is aware, the day before the hearing, on 16th February, Flextech had applied to revoke UK Registration Number 9230211[sic] on the grounds of non use (‘the revocation’).

Given that the revocation was issued and therefore formally ‘live’ prior to the hearing, it is submitted that it is a matter which cannot be ignored.”

And, in relation to a comment made by IPC:

“The allegation seems to be based on the alleged lateness of the revocation, however the crucial issue is that, whatever may have been an earlier date on which it *could have been issued* is an irrelevance. The relevant issue is , that it *was in fact issued prior to the hearing.*”

9. The point was made, I believe, that the revocation action introduces a fundamental alteration to the considerations I must make in relation to the opposition, and:

“Whilst it is accepted that it was not part of the formally pleaded issues before the learned hearing officer at the hearing, in delivering a fair and reasoned judgement, in respect of matters which relate directly to UK Registration Number 9230211 [sic] it would be wholly wrong, and unfair to Flextech to ignore the existence of a meritorious attack upon the validity of the mark in question.”

10. Further, the issue of the lateness of the request must be considered in relation to the harm it might do to IPC – which they have not defined:

“The alleged delay in issuing the revocation is said (in the letter) to somehow give rise to an allegation that the request made is inequitable and would delay the decision to the ‘*detriment of the Opponents*’. With respect, this is an argument which does not reflect the relevant facts, and moreover is a ‘mere’ allegation devoid of any particularisation. What is crucial to note is that nowhere have IPC asserted, with particularity, what specific alleged detriment they say they may suffer as a result of the delay. To suggest that there is a *real* (as opposed to imagined) risk of such detriment is wholly unsupported.”

While IPC would not suffer harm, there would be prejudice in denying Flextech the application:

“Flextech will be subject to the issuance of a decision (irrespective of whose favour it is in) which is prejudicially based on an incomplete analysis of the proper facts and circumstances of relevance and is consequently unsafe and unfair. Further, as a matter of general policy it is submitted that it would be unwise and unattractive for the

Registry to issue a decision in this matter without a suitable deferment to allow the related matters (i.e., the revocation) to be resolved prior to issuance.”

11. Ms. McFarland summarised her client’s position thus, in relation to the request for a stay:

“The stay or deferment sought, is requested on the basis that, in the exercise of the discretion of the Registrar’s Hearing Officer it is both fair and appropriate, in all the circumstances. The alternative would be the issuance of a decision which would inevitably;

- a) potentially be subject to appeal (not least on the basis of the revocation issues pending) and therefore would not be a ‘final’ decision in any sense
- b) and/or which may be given on an ‘alternative basis’ i.e.; conditional on the outcome of the revocation, which would render it an uncertain decision and also not a final decision
- c) potentially have an effect upon the latter finding to be made in respect of the revocation, insofar as certain matters likely to be under consideration in that matter may be dealt with in the proposed decision.
- d) The delay sought would be, in practical terms relatively short i.e.; up to approximately the end of this year..”

12. Finally, I was also reminded of the Human Rights Act requirements (and Article 6 in particular – the “right to a fair trial”):

“It is submitted that in the present case, such guidance equates to a right that any decision must be reached fairly and with proper regard to all material circumstances and in particular the existence of the revocation prior to the decision under request, and the lack of any compelling reason *not* to grant the stay sought.”

13. In response, for IPC, Mr. Bernard referred to the background of the dispute between the parties. His main point was that they have been in dispute for some years, in a number of cases (opposition Nos. 48658, 90603 and 90532/90533 (consolidated)) over a number of years, and the same, or similar, evidence, had been submitted in each. He states:

“The Applicants have therefore for a considerable period of time been in possession of the facts which we assume led them to the conclusion that the mark LIVING has not been used in the 5 year period. No explanation has been given as to why the revocation action was not filed earlier at any point during the long running dispute.

Whilst in their reasons the Applicants refer to the presumption of validity of a registered trade mark, and seemingly say that they could challenge this at any time, the Applicants have been aware of the facts for over 4 years and it can not be justifiable to stay the decision at such a late stage of the proceedings just because a challenge as been made.”

DECISION

14. I do not believe that I am able to resile from the initial position of the Registrar that the request for a stay must be refused. In essence, the lateness of the request is the salient point here, whether or not it was made before the hearing. As IPC stated, to grant the stay this late

in proceedings would be inequitable, and I agree. Flextech, as has been pointed out, could have set in motion the revocation proceedings even before the opposition in issue began, and have not done so until what was, more or less, the 'last minute'. The fact that application to revoke was made before the hearing on 17th February does not alter the unconscionability of delaying the issuance of my decision for, at least, a year – and probably longer.

15. Further, in my view, Flextech have simply not provided sufficient justification for granting the stay on the basis of this belated revocation action. In this context I do not consider that it is up to IPC to show why the stay would harm them; the case as to why it should be granted at all needs to be made by Flextech, and they have not made out that case. It seems to me axiomatic that 'he who asserts must prove'; at the hearing, this did not appear to be wholly accepted by Flextech. Ms. McFarland stated:

“.. whether or not the revocation action should have been filed earlier is not material or helpful because unless there was evidence before you to explain the point, you really are not in a position, in my respectful submission, to make any prejudicial finding one way or the other. Obviously our primary submission is that any alleged delay is not relevant, but the second point is even if you were to conclude that there had been a delay, and for some reason that was of relevance, then to utilise that alleged delay prejudicially against my client without hearing evidence on the point one way or another would we say result in at least an unfair portion of your decision, if not have the effect of tainting the entire decision”.

16. I simply do not accept this. It was up to Flextech to bring such material before me, if it exists, to buttress their case. I note that Mr. Bernard produced evidence (in effect) by describing the history of the disputes between the parties in support of his client's contention that there was no justification for the tardiness of the revocation action, and the subsequent request for a stay. While this evidence has been unchallenged by Flextech, they have produced none of their own in support of their request.
17. I was not directed to any case law on this point by the parties, but for the *SAW* [1996] R.P.C. 507 case. The latter relates to extensions of time under the Trade Marks and Service Marks Rules 1986. Further, as Ms. McFarland pointed out, this decision was concerned with mandatory periods of time to do something, and not so here. I also note that the decision was informed by the specific requirements of r. 114 in the 1986 Rules. Nevertheless, the Judge in that matter commended the following words of the Registrar:

“As I indicated at the hearing the Registrar is always reluctant to refuse an extension of time in a case where evidence has been filed [I should say that eventually some was produced months later] but in this case I am of the opinion that I had little option but to do so because of the lack of action on the part of the opponents during the relevant period of six months for filing evidence. If this had been satisfactorily explained then I would have accepted that the period of four months for preparation of the evidence by the new agents was not unusual or unacceptable. However, in exercising discretion in cases such as these, it is relevant as to what the party did during the period allowed for the filing of evidence, not what they did subsequently.”

18. There is a point of general import here: where the Registrar is requested to exercise his discretion in relation to an action which is late in the day, he should be provided with reasons why he should do so by the party making the request. In particular, an explanation as to why the course of action was delayed.

19. I also note the decision of the Appointed Person in *JCB* (BL O-198-03), which was also concerned with a late request to stay proceedings on the basis of a eleventh-hour application to revoke (partially) an earlier mark which had already been pleaded in opposition. In that case, I freely admit, the circumstances were different – the stay was requested by way of appeal to the appointed person following the issuance of the opposition decision. Nevertheless, I think many of the principles set out apply here. I note, in particular, the Appointed Person stated (paragraph 12):

“Whilst, therefore, I accept that it might be appropriate in certain circumstances to suspend opposition proceedings or any resultant appeal pending the resolution of invalidity or revocation proceedings, the issue for me to decide is whether to exercise my acknowledged discretion to stay the appeal in this particular case.”

20. Various factors informed her decision in that case, some which are not relevant here. In relation to the Human Rights Act, it was found (paragraph 13):

“Mr. Mitcheson also prayed in aid the Human Rights Act 1998 and the European Convention on Human Rights, Article 6 - Right to a fair trial, and Article 1 to The First Protocol – Protection of Property. Mr. Mitcheson says that to decide the outcome of an opposition without taking into account the possibility of the earlier mark being found invalid or revoked prior to the application date would be to deny the applicant the right to a fair trial because fundamental issues were being ignored. However, as already mentioned the TMA provides an applicant with effective mechanisms for declaring invalid or revoking an earlier trade mark. The Trade Marks Register is public and it was open to the present Applicant to request revocation of the Opponent’s mark either before or on application, or on opposition. The fact of the matter is that the Applicant thought they could win the opposition without commencing revocation proceedings against the Opponent’s mark. That was their choice. There is no unfairness under Article 6. The TMA makes clear the strategy to adopt and the rules apply equally to everyone. Mr. Mitcheson does not allege that the opposition proceedings themselves infringed any of the principles the European Court of Human Rights has identified under Article 6, for example, impartial and independent tribunal, “equality of arms”, reasoned decision. In those circumstances, Mr. Mitcheson failed to persuade me that Article 6 was engaged.”

21. I do not believe that this decision prejudices Flextech, in that their application might be gelded as a consequence of the right granted to a trade mark that has been called into question by revocation. That is, at this time, an unproven possibility only. Until it becomes something else, s. 72 of the Act is *prima facie* evidence of the validity of the original registration. And, further, the ‘door is not forever closed’ as a consequence of taking the line I have – though decisions in relation to revocation are prospective, I note s. 46(6) states:

“ Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from

(a) the date of the application for revocation, or

(b) if the registrar or the court is satisfied that the grounds for revocation existed at an earlier date, that date.”

22. Many of the comments made in Flextech’s original letter (see paragraph 3 above) requesting the stay are concerned with procedural matters in relating to the various disputes between the

two parties in this case. In the decision of the Appointed Person in *McQUEEN* (BL O-120-04), at the hearing of the appeal and subsequently in writing the applicant in that case asked for the Hearing Officer's decision relating to an objection based on a Community Trade Mark (CTM) application to be stayed if it was not reversed at appeal. The circumstances are different to this case – for example, the stay was sought for as long as it might take (potentially several years) to arrive at a final determination of the invalidity proposed to be brought before the Community Trade Marks Office in respect of the CMT if it proceeds to registration. It was, nevertheless, refused. The basis of the refusal included the following reasoning by the Appointed Person:

“The present opposition proceedings would come to resemble a game of snakes and ladders if I were now to subordinate them to the proposed invalidity proceedings. ... it appears to me that forward planning would, from a commercial point of view, be assisted more by certainty than prolonged uncertainty as to the status of the application for registration filed by the Applicant on 14th February 1998. I therefore think it would be in the interests of both parties for the present chapter of their dispute to be brought to a conclusion sooner rather than later.”

23. The application to stay is dismissed. Nevertheless, I will not issue my decision in the opposition No. 90603 (which is complete) at this time. I will await until the end of the appeal period, before doing so.

CONCLUSION

24. The application to stay the proceedings has failed.

COSTS

25. It would be possible to reserve costs and include them as part of the decision in opposition No. 90603 which, subject to appeal, will be issued. However, there are elements to that decision that might be provisional, due to the reliance of IPC in certain applications that have not yet matured to registration. In view of this, I will make an order for costs now. Both parties seemed content that any award should not depart from the usual scale.
26. By that scale, it is customary to assign some £500 for preparation for and attendance at a hearing. I order Flextech to pay IPC £500. This is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 4th Day of June 2004.

**Dr W J Trott
Principal Hearing Officer
For the Registrar**