

O-094-07

**TRADE MARKS ACT 1994**

**IN THE MATTER OF A JOINT HEARING HELD IN RELATION TO  
REGISTRATION No. 2242946 IN THE NAME OF VALENT BIOSCIENCES  
CORPORATION AND A REQUEST FOR REVOCATION THERETO UNDER NO.  
82420 BY VALEANT PHARMACEUTICALS INTERNATIONAL**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF a  
joint hearing held in relation  
to registration no. 2242946 in  
the name of Valent Biosciences Corporation  
and a request for revocation thereto under  
no. 82420 by Valeant Pharmaceuticals International**

**BACKGROUND**

1. Trade mark registration no: 2242946 is for the following series of two trade marks:



I note that the publication of the trade marks included the following clause:

“The applicant claims the colour green as an element of the second mark in the series.”

The registration, which was applied for on 17 August 2000, stands registered in the name of Valent Biosciences Corporation (hereafter VBC) for the following goods in Classes 1 and 5:

**Class 1:** Chemicals used in agriculture, horticulture and forestry.

**Class 5:** Pesticides, herbicides, insecticides, fungicides and molluscicides for agricultural use.

The registration procedure was completed on 9 February 2001.

2. On 14 February 2006, Jeffrey Parker & Company (hereafter JP) acting as agents on behalf of Valeant Pharmaceuticals International (hereafter VPI), filed Form TM26(N) and sought revocation of the above trade marks. VPI’s statement of grounds framed their attack in the following terms:

“1. The date of completion of the registration procedure of the trade mark in suit was 9 February 2001. The trade mark has therefore been on the Register for over five years.

2. The Applicant is a United States company and is the applicant for registration of the trade mark VALEANT No. 2,359,726 which has been opposed by Valent Biosciences Corporation based on the trade mark in suit. However the Applicant is not aware of any use of the trade mark in the United Kingdom by the Proprietor or with his consent in relation to any of the goods for which it is registered since it was registered. Neither is the Applicant aware of any proper reasons for non-use within the meaning of the Act and alleges that none exist.

3. The Applicant therefore asserts that the grounds of revocation set forth in Sections 46(1)(a) apply and requests that the registration be revoked in its entirety accordingly and with effect from 9 February 2006.”

I note that VPI answered the questions posed in boxes 5 and 7 of the Form TM26(N) as follows:

Box 5: Q: Are you basing your application on Section 46(1)(a), 46(1)(b), or both?  
A: 46(1)(a).

Box 7: Q: From what date do you want revocation to take effect?  
A: 9 February 2006.

3. In an official letter dated 21 February 2006, the Trade Marks Registry (hereafter TMR) served the Form TM26(N) and statement of grounds on VBC’s address for services. I note that the letter which, under the provisions of rule 31(3) of the Trade Marks Rules 2000 (as amended) allowed VBC until 21 May 2006 in which to consider filing Form TM8 and counter-statement together with either evidence of use of the trade mark or proper reasons for non use, was sent to: Jones Day, 21 Tudor Street, London, EC4Y 0DU. The letter contained, *inter alia*, the following paragraph:

“Please note that revocation is sought under Section 46(1)(a)..... The relevant five year period where non use was claimed is 09.02.2001 to 09.02.2006 under Section 46(1)(a). The effective date of revocation, if successful, will be 09.02.2006.”

4. In an official letter to the parties dated 30 August 2006, the TMR commented, *inter alia*, as follows:

“As no TM8 and counterstatement and evidence of use have been filed within the time period set, Rule 31(3) applies. Rule 31(3) states:

“..otherwise the registrar may treat him as not opposing the application”.

The Trade Marks Registry is minded to deem the opposition to the application as withdrawn as no defence has been filed within the period. In accordance with Rule 54(1) either party has the right to be heard or file written submissions on the matter...”

I note that a period expiring on 13 September 2006 was allowed for this purpose.

5. In a letter dated 5 September 2006, Jones Day (hereafter JD), responded. They did so in the following terms:

“As explained, I have no record of receiving any previous communication from the Trade Marks Registry in connection with this matter. My firm moved to its present address in December 2003, and I recorded the change of address with the Trade Marks Registry at that time. Notwithstanding this, there have been more recent instances of post being sent by the Trade Marks Registry to previous addresses, which may explain the present situation.

The registered proprietor, a US corporation, is currently unaware of the existence of these proceedings, although I am today writing to its US trade mark representative enclosing a copy of your letter. It would clearly offend against the principles of natural justice if the proprietor were to be deprived of its rights in its trade mark in the United Kingdom, without first having an opportunity to consider the applicant’s case, and submit its response. In the circumstances, I should be grateful if you would provide me with a copy of the applicant’s form TM8 and counterstatement, and set a new deadline for the proprietor’s response.”

6. In a letter to the TMR dated 7 September 2006, Venner Shipley LLP (hereafter VS) indicated that they were VBC’s new agents and address for service for the registration in suit, and a Form TM33 was provided to effect the change.

7. In an official letter dated 18 September 2006, the TMR wrote to the parties. The relevant part of that letter reads as follows:

“We have investigated with the Royal Mail and they have advised us that our official letter of 21 February 2006 with Recorded Delivery No. DK081914213GB was delivered to Jones Day on 22 February 2006 and a photocopy of the signature obtained is enclosed.

As the recorded delivery was signed for by someone at the address for service recorded on the Register, the Registrar considers that the Form TM26(N) has been properly served. Therefore, as no TM8 and counterstatement and evidence of use have been filed within the time period set, Rule 31(3) applies.....

The Trade Marks Registry is minded to deem the opposition to the application as withdrawn as no defence has been filed within the prescribed period....”

I note that the parties were allowed until 2 October 2006 to either request a hearing or file written submissions.

8. JP responded in a letter dated 29 September 2006, the relevant part of which reads:

“...It seems to us quite clear and without any doubt that the document was properly served at the Address for Service, and receipt was confirmed. Whatever happened after

that, and whether, if fact, the proprietor was unaware of the proceedings, is beside the point. We therefore concur with your mindful view and submit with respect that the Registrar has no choice other than to proceed to revoke the registration by reason of failure to comply with the Rules governing the filing of a defence.”

9. Under cover of a letter dated 2 October 2006, VS filed the following documents: a Form TM8 and counter-statement, a witness statement from Edmund Harrison of VS dated 2 October 2006 and described as containing evidence of use of the trade mark, and a witness statement from John Reddington of JD dated 29 September 2006, described as explaining why VBC did not become aware of the revocation action until 5 September 2006. In their letter VS comment, *inter alia*:

“In summary, the situation is either 1) the documents were not properly served on the Registered Proprietor’s address for service, or 2) the documents were served correctly but due to a failure of procedure within the Registered Proprietor’s previous Attorneys, were mislaid and were never reported to the Registered Proprietor.

In view of this irregularity of procedure, which is not due to the Registered Proprietor’s fault or inaction, we would request that the Registrar resets the date of filing the TM8, Counterstatement and evidence of use, as from 5<sup>th</sup> September 2006, being the date on which the Registered Proprietor first became aware of Revocation No. 82420.

If for any reason the Registrar is unable to agree to reset this date, then under Rule 31(8), we request the Registrar’s discretion in allowing into the proceedings the attached Witness Statement of Edmund Harrison as evidence of use as required under Rule 31(2) and that the Revocation proceedings then continue as normal.

We would point out that under Rule 31(2) it merely states that “the proprietor **may** file a counterstatement, in conjunction with a notice of the same on a TM8.....” The Rule does not **require** the TM8, Counterstatement and evidence to be filed at this stage.

We would also confirm that under Rule 31(3) it is now clear that the Proprietor has every reason to wish to continue with the defence of the Trade Mark and we request that the Registrar exercises discretion in treating the Registrar’s opposition to the application as still continuing.

This Revocation action comes in the course of a series of interrelated disputes between the two parties and we would submit that the Applicant for revocation is well aware that the Registered Proprietor is using the Trade Mark in the United Kingdom and that the purpose of this revocation is purely tactical in nature, rather than any genuine desire to remove a redundant Trade Mark from the Register.

We would suggest that Rule 31 specifically gives the Trade Mark Registrar an element of discretion in non-use revocation proceedings and we feel that the current situation is exactly the kind of situation which should cause the Registrar to exercise that discretion. The alternative is that the Registrar is allowing a property right to be removed, without the Proprietor having had the opportunity to defend that property right.”

I note that if these arguments failed to persuade the TMR to alter its preliminary view, a hearing was requested.

10. In an official letter dated 11 October 2006, the TMR's preliminary view was maintained and the parties advised that a hearing would be arranged.

11. In a letter dated 23 October 2006, VS commented, *inter alia*:

“As mentioned in the Witness Statement of John Reddington, the signature on the recorded delivery confirmation has not been recognised by the post room at Jones Day. Is there any evidence to show that Recorded Delivery No. DK081914213GB, was delivered to the correct address? We note that no address is listed against the recorded delivery slip.

We also note that there is a separate recorded delivery notice on the same form for No. DK521416055GB which has the same signature. We would be grateful if you would confirm that that also corresponds to a document that was sent to Jones Day. Please let us know the case to which that recorded delivery notification refers as we would like to check with Jones Day as to whether or not they received that other delivery.”

12. The TMR responded to VS's letter in an official letter dated 2 November 2006, the relevant part of which reads:

“Your comments have been noted, however, I have made further investigations with the Royal Mail regarding delivery notice No. DK521416055GB and they have advised us that they have no further information regarding this letter. They also mentioned that they do not hold the address that the letter was delivered to.”

### **The joint hearing**

13. A joint hearing to consider the TMR's preliminary view took place before me, by video conference, on 14 November 2006. At the hearing, VBC were represented by Mr Michael Edenborough of Counsel instructed by VS; VPI were represented by Mr Simon Malynicz of Counsel instructed by JP.

### **The skeleton arguments**

14. Both parties' provided skeleton arguments, the main points emerging from which were as follows:

#### **VBC's skeleton arguments**

- that the Form TM26(N) and statement of grounds contained fatal defects. That in relation to Section 46(1)(a) of the Act, the five year period commences on the day after the date on which the registration process was completed, which in this case would be 10 February 2001, and so will run until 9 February 2006. As such, the earliest date from which the mark can be

revoked is 10 February 2006 (see the comments of the Appointed Person in *WISI Trade Mark* [2006] RPC 22 at paragraphs 2, 26 and 27 in which a similar calculation was approved);

- that the Form TM26(N) and statement of grounds which seeks revocation from 9 February 2006 is fatally flawed, as the date specified is one day too early; the date specified is actually the last day of the five year period in which the mark could have been put to genuine use;
- that the application for revocation must either be abandoned or amended. If it is amended then VBC will have a fresh three month period in which to serve its defence (as per *Lowden Trade Mark* [2005] RPC 18 and Tribunal Practice Notice 1 of 2005);
- that rule 31(3) confers a discretion on the registrar as to whether or not the registered proprietor is treated as opposing or not opposing the application (as per *Music Choice Ltd's Trade Mark* [2006] RPC 13 and Tribunal Practice Notice 1 of 2006);
- that the deputy judge in *Music Choice* identified five factors as relevant as to whether an exercise of discretion is or is not appropriate. These were: (i) the circumstances relating to the missing of the deadline including reasons why it was missed and the extent to which it was missed, (ii) the nature of the applicant's allegations in its statement of grounds, (iii) the consequences of treating the proprietor as opposing or not opposing the application, (iv) any prejudice to the applicant by the delay and (v) any other relevant considerations such as the existence of related proceedings between the same parties;
- that if one applies these factors to the circumstances of the instant case, the following emerge: (i) VBC's agent and VBC itself never knew of the application for revocation; it is unproven that the relevant letter was delivered to JD because the information relating to the other item of post has not been forthcoming from either the TMR or the Royal Mail, (ii) VPI's application is fatally flawed and so cannot continue in any event without amendment, (iii) if VBC is treated as not opposing the application it will lose its mark without ever having had an opportunity to defend it, which is a denial of natural justice and an improper impeachment of its property rights. In addition, the revocation of the mark will not assist VPI because VBC's mark will still operate as an earlier trade mark and so may still be used in the opposition to block VPI's application, (iv) no prejudice will be suffered by VPI because if the application had proceeded normally, VPI would have expected to fight the application rather than get a premature decision based upon some ill-luck befalling VBC and (v) VPI's application was futile as it would not help in the opposition proceedings and because the mark has, in any event, been put to genuine use; the application is tainted with abuse;
- that VBC seeks its costs off the scale because VPI's actions are such that it should not benefit at VBC's expense.

#### **VPI's skeleton arguments**

- that VPI supports the TMR's preliminary view and requests that it be made final;

- that VPI contend that: (i) the Form TM26(N) and statement of grounds were sent to VBC, (ii) that VBC failed to comply with rule 31(3) and (iii) the discretion to allow VBC to oppose the application can only be exercised on a narrow basis and one which is not applicable in this case;
- that pursuant to rule 10(4) anything sent to VBC at his address for service is deemed to be properly sent; the obligation upon VBC is to provide his defence within three months from “the date on which he was sent a copy of the Form TM26(N) and the statement by the registrar”. Receipt by VBC or his attorneys is not the issue (see *Moviestar Trade Mark* [2005] RPC 26);
- that despite VBC’s attempts to raise doubts over whether the document was received, VPI submit that this evidence is so vague that the registrar is simply not able to make any assessment of its cogency. In any event, there appears to be a concession on VBC’s part that it is inconclusive;
- these factors need to be balanced against the clear proof of delivery obtained from the Royal Mail, which can only lead to one conclusion on the balance of probabilities i.e. that the registrar sent the documents to the address for service;
- that any request for a retrospective extension of time for VBC to file their defence would be contrary to rule 68(3);
- that despite a number of decisions namely: *Firetrace Trade Mark* [2002] RPC 15, *Lowden*, *Moviestar* and *Music Choice* which may suggest that the law is in a state of confusion, this divergence is more apparent than real, at least as regards undefended applications for revocation on the grounds of non-use are concerned;
- that in VPI’s view the following clear principles can be discerned from the authorities: (i) in non-use revocation cases, section 100 of the Act places the burden of proving use on VBC, (ii) in light of this, there should, as a matter of principle, be little hesitation in revoking a mark for non-use where the application is undefended, (iii) the discretion contained in rule 31(3) by the use of the word “may” is very narrow; it is confined to an examination of deficiencies in the application for revocation and does not allow an open-ended assessment of the factual case, and (v) it is arguable whether rule 33(6) provides a wider discretion, but as section 100 does not impinge on rule 33(6) there is a good reason to treat them differently from proceedings governing non-use;
- that in VPI’s view the narrow discretion to be exercised in these proceedings can only have one result: that VBC should be treated as not opposing the application;
- that in VPI’s view section 100, rule 31(3) and rule 68(3) exist for good reason. The 8<sup>th</sup> Recital of Directive 89/104 makes it clear that the use requirement of trade marks exists so that the total number of marks in the Community (and conflict between them) can be reduced. Section 100 is a very effective means of ensuring that undefended applications for revocation succeed, without the prospect of proprietors turning up, as they did here, months out of time



to defend the application. A strict interpretation of section 100 and rule 31(3) is entirely consistent with the UK's obligations in this area.

### **The decision following the hearing**

15. At the hearing I reserved my decision. Having reviewed the hearing transcript, I communicated my decision to the parties in a letter dated 22 November 2006. The substance of that letter is as follows:

“At the conclusion of the hearing I reserved my decision. Having now reviewed the transcript, my decision is to reverse the Preliminary View expressed most recently in the official letter of 11 October 2006. I do so, for two reasons. Firstly, it is beyond argument that the official letter of 21 February 2006 contained an incorrect post code reference i.e. the letter was sent to EC4Y ODU and not EC4Y ODJ. In addition, investigations by the Trade Marks Registry with the Royal Mail, suggests that the post code EC4Y ODU does not exist. Notwithstanding Mr Malynicz's submissions in relation to the operation of rule 10(4) and the inadequacy of the evidence contained in Mr Reddington's Witness Statement, in my view the outcome of the Trade Marks Registry's investigations and the evidence of Mr Reddington, and in particular paragraph 4 of his Statement are, when taken together, sufficient to cast serious doubt over whether the official letter was ever correctly delivered to Jones Day. That being the case, I intend to invoke the provisions of Rule 68 (7) of the Trade Marks Rules 2000 (as amended), and, in so doing, direct that the Form TM26(N) be re-served correctly on the Registered Proprietor's new address for service.

That decision effectively decides the matter in the Registered Proprietor's favour. However, there is also the date of revocation requested in box 7 of Form TM26(N) to consider. The registration procedure for the registration in suit was completed on 9 February 2001. Despite Mr Malynicz's submissions as to how the five year period should be calculated, and keeping firmly in mind that the matter of dates does not appear to have been an issue that was hotly contested before either the Appointed Person in the *WISI* and *DataSphere* proceedings (0-251-05 and 0-018-06 respectively) or before the Court of Appeal in *Philosophy di Alberta Ferretti* [2003] RPC 15 (see the comments of Peter Gibson L J in paragraph 1 (lines 6&7) and the first line of paragraph 4)), there is, in my view, sufficient guidance in these judgments for me to reasonably conclude that the earliest date from which the registration in suit can be revoked is 10 February 2006 and not 9 February 2006 as requested on the Form TM26(N) and mentioned in the official letter. A similar situation arose in the *Lowden* Trade Mark case [2005] RPC 18, with Mr Justice Patten concluding that if the Form TM26(N) was to be amended to reflect an acceptable date of revocation, it would be necessary for the Trade Marks Registry to start the time running again for the service of the counterstatement and evidence.

Of course in these proceedings a Form TM8, counterstatement and evidence of use has already been filed. If there is no request for written grounds from either party, and assuming the Applicant seeks (at the earliest opportunity) leave to amend his Application to reflect an appropriate date, and assuming such leave is granted by the Trade Marks

Registry and not objected to by the Registered Proprietor, the amended Form TM26(N) will be re-served. At this stage, it is likely that the Registered Proprietor will indicate that they intend to rely on the documentation already provided. Assuming the Registered Proprietor confirms this to be the case (and an early indication in this regard would be desirable), and that once scrutinised the evidence of use already provided is considered sufficient by the Trade Marks Registry to allow the proceedings to continue, the Trade Marks Registry would then be in a position to set a period for the filing of the Applicant's evidence under rule 31(A)(1).

Finally, I heard submissions on costs. The Registered Proprietor has been successful. However, in my view, the issue arising at the hearing was essentially one between the Trade Marks Registry and the Registered Proprietor, and one which the Registered Proprietor would have had to address at either a hearing or in writing if the Trade Marks Registry's preliminary view was to be disturbed. The Applicant attended the hearing to protect their client's interest and to make the Tribunal aware of issues they felt it should bear in mind when reaching a decision. While I am grateful to them for their participation, and despite Mr Malynicz's request for the Applicant to be awarded costs on the same basis as they were awarded in *Firetrace* Trade Mark [2002] RPC 15, I do not propose to make an award of costs to either party."

16. The parties were allowed a period of one month from the date of this letter to file Form TM5, and in so doing to request a written statement of reasons for my decisions as a precursor to launching an appeal. JP filed Form TM5, following which I now give the reasons for my decisions below.

## **DECISION**

17. Section 46(1) and rules 10(4), 31 and 68(7) are relevant. In so far as it is necessary to reproduce them here, they read as follows:

Section 46:

**"46.** - (1) The registration of a trade mark may be revoked on any of the following grounds-

(a) that within the period of five years following the date of completion of the registration procedure it has not been put to genuine use in the United Kingdom, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;"

Rule 10:

**"10(4)** Anything sent to any applicant, opponent, intervener or registered proprietor at his address for service shall be deemed to be properly sent; and the registrar may, where no address for service is filed, treat as the address for service of the person concerned his trade or business address in the United Kingdom, if any."

Rule 31:

“31. - (1) An application to the registrar for revocation of a trade mark under section 46, on the grounds set out in section 46(1)(a) or (b), shall be made on Form TM26(N) and be accompanied by a statement of the grounds on which the application is made.

(2) The registrar shall send a copy of Form TM26(N) and the statement of the grounds on which the application is made to the proprietor.

(3) The proprietor shall, within three months of the date on which he was sent a copy of Form TM26(N) and the statement by the registrar, file a Form TM8, which shall include a counter-statement, and be accompanied by -

(a) two copies of evidence of use of the mark; or

(b) reasons for non-use of the mark,

otherwise the registrar may treat him as not opposing the application.

(4) The evidence of use of the mark shall -

(a) cover the period of non-use alleged by the applicant on Form TM26(N), or

(b) where the proprietor intends to rely on section 46(3), show that use of the mark commenced or resumed after the end of that period but before the application for revocation was made.

(5) The reasons for non-use of the mark shall cover the period of non-use alleged by the applicant on Form TM26(N).

(6) The registrar shall send a copy of Form TM8 and any evidence of use, or reasons for non-use, filed by the proprietor to the applicant and the date upon which this is sent shall, for the purposes of rule 31A, be the "initiation date".”

Rule 68)(7):

“(7) without prejudice to the above, in the case of any irregularity or prospective irregularity in or before the Office or the registrar which-

(a) consists of a failure to comply with any limitation as to times or periods specified in the Act or 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) 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 her should be rectified, she may direct that the time or period in question shall be altered in such manner as she may specify upon such terms as she may direct.”

18. There were essentially two issues before me at the hearing. The first was what Mr Edenborough characterised as the fatal defect in VPI’s application for revocation, and the second, the breadth of the discretion available to me by virtue of the use of the words “...the registrar may treat him as not opposing the application” appearing in rule 31(3) of the Trade Marks Rules 2000 (as amended). In my letter following the joint hearing, I dealt firstly with the potential non-receipt of the Form TM26(N) by JD, VBC’s former agents of record, and then with the fatal defect argument. I shall follow the same approach here.

19. There is no room for argument that the official letter of 21 February 2006 that served the Form TM26(N) on VBC’s agent at that time, JD, contained an error. In that sense at least, in my view, rule 10(4) can not be considered to apply to these proceedings, as the official letter was not sent to the registered proprietor’s “address for service” and so can not be deemed to be “properly sent”. It is of course true that the only error the official letter contained was in relation to the post code where EC4Y 0DU was typed instead of EC4Y ODJ. There is, of course, also the witness statement of John Reddington dated 29 September 2006 to consider. In his statement Mr Reddington says, *inter alia*:

“3. On 31<sup>st</sup> August 2006, my firm received an Official letter dated 30<sup>th</sup> August 2006, advising us that as no defence had been filed to Revocation Action No. 82420 the Registrar was minded to deem the opposition to the application as having been withdrawn. On 1<sup>st</sup> and 4<sup>th</sup> September 2006, I made a number of telephone calls to the assistance casework Examiner, Deborah Rich, at the Trade Marks Registry, to explain that that we had never received the original revocation application and the Registered Proprietor was unaware of its existence.

4. I have been advised by the Trade Marks Registry that the TM26(N) and accompanying documents were sent by registered post to the address of Jones Day in London and that the delivery was signed for by and on behalf of Jones Day. I have been provided with a copy of a Royal Mail proof of receipt which I have in turn shown to my firm’s post room supervisor. He does not recognise the signature which appears against the item marked as being the official letter delivered to my firm in February this year. For this reason there must be some doubt as to whether the letter was in fact delivered as claimed.

5. The information I have to hand is not adequate to enable me to state with certainty whether the official letter was correctly delivered to my firm. If the letter was correctly delivered, the only conclusion I can reach is that it was mislaid between the Jones Day post room and my desk.

6. As may be expected, Jones Day deals with a large number of individual items of post every day and we have strict procedures in place to ensue that post is not mislaid. In this instance, it would appear that either the official letter was not correctly delivered, or that there has been a one-off failure of these procedures.”

20. At the hearing, Mr Malynicz characterised this evidence as inconclusive, vague and insufficiently well factually “bottomed out”. In this regard he pointed out that: (i) the name of the post room supervisor was not provided, nor does he/she provide a witness statement, (ii) we are not told how many people work in the Jones Day post room nor do we have copies of their signatures and (iii) in any case, paragraphs (5) and (6) of Mr Reddington’s witness statement allows for the possibility that the letter may have been correctly received by JD but mislaid somewhere in their premises.

21. I accept Mr Malynicz’s criticisms of Mr Reddington’s evidence, and agree that the post room supervisor’s evidence should have been provided in proper evidential format, identifying the post room supervisor by name together with details of his or her employment at JD, and that similar evidence should also have been provided by all those employed in the JD post room; that this was not done is regrettable. However, in my view, the key event was the original error made by the TMR in not correctly addressing the letter of 21 February 2006. In this regard, I note that the Proof of Delivery slip provided by the Royal Mail contains a second item (DK521416055GB) which appears to have been signed for by the same person that signed for the envelope containing the official letter. However, in paragraph (12) above, it is clear that neither the TMR or the Royal Mail have any information on this second envelope or the address to which it was delivered. It is, in my view, quite possible that the two letters may have been destined for different addresses but may have been delivered to and signed for by a person at the second (unknown) address.

22. It is also possible that the error in relation to the typing of a postcode which does not appear to exist, was sufficiently serious for the letter originally destined for JD, to find itself delivered incorrectly elsewhere; put simply, I just don’t know. However, in my view the hearsay evidence provided by Mr Reddington was, when considered in the context of the TMR’s original error and the surrounding circumstances, sufficient in my view, to place serious doubt on whether the official letter was ever received by JD. That being the case, it was appropriate for me to correct matters to rectify the TMR’s original error. To achieve this, I invoked the provisions of Rule 68(7) and directed that the Form TM26(N) be reserved on VBC’s new address for service, VS.

23. Given my clear finding in this regard (which I consider to be the correction of an error rather than an exercise of discretion), it was not necessary for me to consider the breadth of discretion available under rule 31(3), and how in the light of the various authorities which bear on this point, this discretion should be exercised. However for the sake of completeness, I note that in Tribunal Practice Notice (TPN) 1 of 2006, the Trade Marks Registry has considered the apparent conflict between the various authorities, and has indicated that it intends to exercise the discretion in rule 31(3) on the basis indicated by Mr Vos in *Music Choice*. The relevant part of the TPN read as follows:

“The use of the word "may" appearing in rules 31(3) and 33(6) have been the subject of judicial comment in *George Lowden and The Lowden Guitar Company Limited* [2004] EWHC 2531, and in *Music Choice Limited and Target Brands, Inc* CH/2005/APP 0423/0749. The consequences of the decision in *Lowden* were, inter alia, dealt with in Tribunal Practice Notice 1/2005.

In *Lowden*, Mr Justice Patten held that the breadth of the discretion under rule 31(3) was very limited and could only be exercised in relation to factual errors on the Form TM26(N) and/or statement of case. However, in *Music Choice*, Mr Geoffrey Vos QC sitting as a Deputy High Court Judge, held that in an invalidation case, the registrar had a general discretion under rule 33(6), to treat the proprietor as either opposing or not opposing the application. In addition, Mr Vos expressed reservations about the correctness of the approach adopted in *Lowden*.

Given the apparent tension between these two decisions, and, as the word "may" appearing in the respective rules should, in the Trade Marks Registry's view, be given the same meaning and scope, the Trade Marks Registry has reviewed its practice.

The Trade Marks Registry remains of the view that it is not permissible to allow the late filing of Form TM8. However, with immediate effect, where a late filed defence is filed in revocation or invalidation proceedings before the Trade Marks Registry, the Trade Marks Registry will (on request) now consider exercising the discretion in rules 31(3), 32(3) and 33(6) on the basis indicated by Mr Vos in *Music Choice*. As the exercise of the discretion is a judicial function, it is anticipated that consideration of the exercise of the discretion will only be given by a Hearing Officer following a joint hearing, and not by the Case Work Examiner dealing with the case administratively. In determining whether the proprietor will be treated as opposing the application, considerations of the sort outlined in *Music Choice* will be taken into account..."

24. Strictly speaking my decision that the Form TM26(N) was incorrectly served decides the matter in VBC's favour. However, in the event that on appeal I am found to be wrong in this regard, I now go on to consider the second issue i.e. the fatal defect argument. Mr Edenborough's submissions on this issue are summarised in paragraph (14) above.

25. In *Lowden Trade Mark* [2005] RPC 18, Patten J said:

"28. For the purposes of this appeal I am prepared to accept that the registrar has power (as part of his control of proceedings in the Registry) to permit amendments to applications, provided that the power is not exercised in a way which contradicts or is inconsistent with the TMR or the provisions of the 1994 Act. The Practice Notice which I have quoted from does not, however, deal with the position in relation to amendments which arises when the proprietor has failed to file the counter-statement within the three months allowed by r.31(2) and the registrar either has exercised or is being invited to exercise his powers under r.31(3). It seems to me that in a case where the registered proprietor has in effect been debarred from defending the application for revocation on its merits by virtue of the late filing of the counter-statement, it is not possible for the registrar to grant permission to amend without starting time running again for the service of the counter-statement under r.31(2). This is because the amendment of the statement of grounds triggers an obligation on the part of the registrar under r.31(1) to send a copy of the amended statement to the proprietor. This will then bring r.31(2) into operation in relation to the amended statement and allow the proprietor to serve a counter-statement in the three-month period, even when he has failed to do so in relation to the statement of

grounds originally served. The Registrar's current practice is to allow less than three months for the service of an amended counter-statement in such circumstances, but I do not believe that this is compatible with the provisions of r.31(2), although a shorter period could be allowed if the respondent consented to it. Whatever period is allowed, it is not therefore open to me to grant permission to the Company to amend its statement of grounds to change 1999 to 2000 without allowing Mr Lowden the opportunity of serving his counter-statement in time. If (as I assume) that will be done, then no order for revocation can be made without a hearing on the merits."

26. On this point at the hearing Mr Malynicz said:

"I turn to the point that is probably at the heart of my learned friend's submissions, the five years and a day point. The significance of this is that if my learned friend is right, we need to amend our pleading to plead revocation from the 10<sup>th</sup> February 2006, as he suggests, not as it currently is, the 9<sup>th</sup> February 2006. As explained by my learned friend we do not disagree with this - that gives his client a way back in because, as happened in Lowden, was because they had to amend to plead the correct date, the correct year 2000, not 1999, under rule 31(3) the registered proprietor has to send the amended statement of case to the other side and effectively it restarts the clock. I am with my learned friend on this. The question is: Is our pleading deficient? Is it wrong to have sought revocation from 9<sup>th</sup> February 2006? We say that it is not. If my learned friend is right, then my application is defective. If my learned friend is wrong my application is fine. It has been undefended and his mark should be knocked out."

27. In *WISI trade mark* [2006] RPC 22, Mr Geoffrey Hobbs QC acting as the Appointed Person, commented on how the date at which a mark becomes vulnerable for revocation should be calculated. In relation to the trade mark in those proceedings which was placed on the register on 24 May 1961, he said:

"26. I think the true position is that the Proprietor set out to adduce evidence of use '*since at least 1960*' for the purpose of negating both the section 46(1)(a) ground and the section 46(1)(b) ground under the provisions of section 46(3) '*in relation to electrical and electronic apparatus and instruments, being the goods for which the Trade mark is registered in Class 9*'. And I can see no substance or merit in the suggestion that the evidence in support of the defence under section 46(3) was not intended to negate the possibility of revocation with effect from 25 May 1966 (the day following the fifth anniversary of completion of the registration procedure) or 15 May 2002 (the date of the application for revocation) and all dates in between."

28. Once again in relation to the permissible date of revocation, in *Datasphere Trade Mark* [2006] RPC 23 in relation to a trade mark which was placed on the register on 1 February 1991, Mr Hobbs said:

"28.....In order to have raised such a claim pursuant to section 46(1)(a), the

Applicant should have requested revocation with effect from 2 February 1996 (the day following the 5th anniversary of the date on which the trade mark was registered on completion of the procedure for registration).....”

29. I also note the comments of Peter Gibson L J in the Court of Appeal in *Philosophy di Alberta Ferretti* [2003] RPC 15 (in paragraph 1 (lines 6&7) and the first line of paragraph 4)) when he said:

“1.....The application for registration was filed on December 5, 1994 and the registration procedure was completed on January 19, 1996....”

And:

“4 The five-year period ran from January 20, 1996”

30. In relation to the *WISI* case, at the hearing Mr Malynicz said:

“...The other side did not appear. That is the first point....There is no indication at all that it was urged upon him by the other side that the correct date was 9<sup>th</sup> February 2006. There does not seem to be anybody arguing what I am arguing today. The point does not seem to have been in dispute at all.”

31. In response to a comment from me to the effect that in the *WISI* case Mr Hobbs was looking at dates in some detail, Mr Malynicz said:

“...I say that *WISI* undoubtedly is a difficult case for me. It supports my learned friend in broad outline. One has to be careful for taking as authority for a proposition a point that has not been hotly disputed or argued...but it does not seem to appear from the report that at any stage the applicant for revocation was saying: “No, no. The proper date was five years from the date of registration”, the 9<sup>th</sup> February 2006 to read over our facts....The issue comes down to this. Where a higher tribunal has made a clear finding in relation to a matter that has been urged upon it, that has binding authority upon you, and in the case of an Appointed Person persuasive authority, but where an issue has gone without saying...There is no excuse for you carrying out the analysis...This point is fundamental to this case. There is no clear authority on the point.”

32. Having drawn my attention to the wording of Article 10 of the First Council Directive 89/104 which is mirrored in the equivalent parts of the 1994 Trade Marks Act, Mr Malynicz commented that this mirroring tells one nothing about the calculation of the relevant period. This he said, must be found elsewhere. He then said:

“Under Section 46 the words “completion of the registration procedure” actually are not clear in themselves as to when that occurred. Does that refer to the day of registration or does it refer to the completion of the procedure that takes place over many months, and is then completed, and then the mark is put on the register, and that is the day of registration. They could be two separate dates. They do not have to be the same



day... That does not say, for example, within the period of five years following the date of registration. That is the only point I am making. It is not the words “the date of registration”. Completion of the registration procedure may take place the day before. It may take place the day of. That is the point in a nutshell.”

33. Mr Malynicz’s second point which he felt was more fundamental, was how one should construe the words “following the date of completion...”. He argued that the wording was ambiguous and could equally be read as meaning that the date of registration should be included in the calculation. In relation to the words “following the date of completion” he concluded that all this tells one is that the relevant period, whenever it is and however long it lasts, must be following the completion of the date of completion of the registration procedure. It tells one, he argued, where that period occurs in time but tells one nothing specific about where it starts. How does one calculate the date, the relevant five year period he asked rhetorically? He took me to Article 12 of the Directive and in particular the following words:

“A trade mark shall be liable to revocation if within a continuous period of five years it has not been put to genuine use in the Member State in connection with the goods or services in respect of which it is registered..”

34. Mr Malynicz said:

“What do I get from that? I get a simple proposition. You have five years to use a registered mark. A mark is registered on the registration date, unsurprisingly. The registration date in this case was 9<sup>th</sup> February 2001. On that date it had protection. On that date it was registered. That was the first day on which the registered proprietor was obliged to use the mark, not the next day, not the 10<sup>th</sup>, the 9<sup>th</sup>. It was on that day that it was registered and under the Trade Marks Directive was required to be used. There are no specific provisions as to how to calculate this. We say that is the clearest you can get. You have to show five years use of a mark which is registered. If the registration takes place on that date that expires on 8<sup>th</sup> February 2006 and therefore revocation can take place from the 9<sup>th</sup> February 2006. My learned friend says that he is after a true five year period. I would submit, no. I would submit that he is after a five year plus one day period.”

35. In response to Mr Malynicz’s submissions Mr Edenborough said, *inter alia*:

“Going on to the substance of my learned friend’s five years and one day point, I say it is wholly wrong. The first point about the word “following” is that whatever the word “following” might mean, it must mean later than... What I say here is that the most sensible way of approaching this is that it is fanciful to say that the registration process is completed and then at a subsequent date it is recorded as having been completed. Actually, the registration process is an administrative act and the last step in that administrative process is the recording of the completion of the process. It is an indivisible whole. Therefore, there is no difference between the completion of the administrative process and the recording of the administrative process. The recording is the last day of the administrative procedure.”

36. I have considered Mr Malynicz's submissions and have taken the care he urged on me given that the date issue was not, it appears, hotly contested in any of the cases I have referred to above. However, having done so, I came to the conclusion that when one accords the word "following" its normal significance, and keeping in mind that the date issue has been commented upon (on two separate occasions) by an Appointed Person and by a Lord of Appeal, that Mr Edenborough's view of the matter was to be preferred. That being the case, I concluded that as the registration procedure was completed on 9 February 2001, the five year period in which the mark had to be used or become liable to revocation was 10 February 2001 (the day following the completion of the registration procedure) to 9 February 2006; the first permissible date of revocation was therefore the 10<sup>th</sup> of February 2006. Based on that conclusion, I agree with Mr Edenborough that VPI's application for revocation contained a fatal defect, as it requested a date of revocation which is one day too early. In those circumstances, the comments of Patten J in *Lowden* apply, and VPI must either seek leave to amend the application or the application must fail.

### Costs

37. Having heard submissions on costs, I determined that no award was appropriate. Although VBC were successful, as Mr Malynicz pointed out, they had to attend the hearing (or file written submissions) if the TMR's Preliminary View was to be disturbed and their opposition to the application for revocation allowed to continue. Equally, I did not feel it was appropriate to award costs to VPI on the same basis as they were awarded in *Firetrace Trade Mark* [2002] RPC 15. While in my view, it was sensible for VPI to either attend the hearing or file written submissions so that their views on the discretion and fatal defect points were known, it was not strictly necessary for them to do so; they could simply have relied on me to come to the appropriate conclusions. However, they chose to attend the hearing; the discretion point was not determinative, and they failed on the fatal defect point, a defect which, based on my decision above, resulted from the incorrect completion of the Form TM26(N) by JP.

### Conclusions

38. In summary I have concluded that:

- **the official letter of 21 February 2006 contained an error, and that that error when taken together with the other evidence provided, was sufficiently serious that it may have led to the official letter not being correctly delivered to VBC's then address for service, JD. In the circumstances, it was appropriate for that error to be corrected, and rule 68(7) was the appropriate mechanism for this purpose;**
- **VPI's application for revocation contained a fatal defect in that it requested a date of revocation which was one day too early;**
- **VPI must seek leave to amend their application for revocation to specify an acceptable date; in the event that they do not, the application for revocation must fail;**

- **I made no order as to costs.**

**Dated this 30th day of March 2007**

**C J BOWEN  
For the Registrar  
The Comptroller- General**