O-160-16

TRADE MARKS ACT 1994

IN THE MATTER OF A JOINT HEARING HELD IN RELATION TO

APPLICATION NO 3103904
IN THE NAME OF WINESUPERHERO LIMITED

AND

OPPOSITION THERETO UNDER NO. 404856 BY
DC COMICS & MARVEL CHARACTERS, INC.

BACKGROUND

1. Application No. 3103904 is for the trade mark WineSuperHero. It stands in the name of Winesuperhero Limited ("the applicant"), has a filing date of 14 April 2015 and was published in the *Trade Marks Journal* on 8 May 2015.

2. Following the filing of Notices of Threatened Opposition on Forms TM7a, the parties were notified that the period for filing opposition would expire on 8 August 2015. On 10 August 2015, RGC Jenkins & Co (hereafter "RGC") filed a Form TM7 (Notice of Opposition) on behalf of its clients DC Comics and Marvel Characters, Inc. ("the opponents"). The opposition, which was directed against all of the goods and services in the application, was based upon grounds under sections 5(2)(b), 5(3), 5(4)(a) and section 56 of the Trade Marks Act 1994.

3. On 24 August 2015, the Tribunal served the Notice of Opposition on the applicant by e-mail (its stated preference) and the applicant was advised that it had until 26 October 2015 to file either a Form TM8 or TM9c. The letter contained the following paragraph:

> "If you choose not to file a TM8, or a TM9c to continue with your application, you should be aware that your application shall unless the Registrar otherwise directs be treated as abandoned in whole, in accordance with Rule 18(2) of The Trade Marks Rules 2008."

4. On 3 November 2015, the Tribunal wrote to the applicant again. It indicated that as no Form TM8 had been filed within the period allowed, the Tribunal was minded to deem the application abandoned. The applicant's attention was drawn to the provisions of rule 18(2) of the Trade Marks Rules 2008 ("the Rules") to which I will return below and the applicant was allowed until 17 November 2015 to respond. The applicant was informed that a failure to respond would result in the Registrar deeming the application abandoned.

5. On 17 November 2015, MW Trade Marks Ltd ("MW") filed a Form TM8. On 7 December 2015, the Tribunal wrote to MW. In that letter, the Tribunal explained that as the Form TM8 had been filed late, it would be necessary for a witness statement to be filed explaining why the Form TM8 had not been filed in the period allowed and why the discretion provided by rule 18(2) should be exercised in its favour. A period expiring on 21 December 2015 was allowed for this purpose.

6. On 18 December 2015, MW filed a witness statement from the applicant's Director, Barry Dick, explaining the circumstances which led to the deadline being missed.

7. The Tribunal considered the reasons provided by Mr Dick and in a letter dated 16 January 2016, it stated:

> "…the reasons provided are not sufficient for the Registrar to exercise his discretion. The witness statement confirms that the applicant received the

> papers serving the notice of opposition and the failure to submit the notice of defence was due to an oversight on the applicant's part. The request to allow the late filed TM8 into the proceedings is therefore refused."

The applicant was allowed until 1 February 2016 to challenge this preliminary view by requesting a hearing. On 21 January 2016, MW requested a hearing and on 1 February 2016, the Tribunal wrote to the parties indicating that the hearing would take place on 17 February 2016 at 10.30am.

8. For reasons which I will return to below, the hearing did not take place as scheduled; it finally took place before me on 15 March 2016. At the hearing, Mr Jonathan Wyness of MW represented the applicant; the opponents were represented by Ms Angela Fox of RGC; both parties filed skeleton arguments in advance of the hearing.

The statutory provisions

9. For the purposes of this decision, it is not necessary for me to set out all of the statutory provisions governing the conduct of opposition proceedings before the Tribunal. Suffice to say that the period allowed to an applicant to file a Form TM8 by rule 18(1) is a non-extendable period governed by Schedule 1 to the Rules. Notwithstanding the above, the registrar may allow an applicant to file a Form TM8 late if he is satisfied it is appropriate to do so. This discretion is provided by rule 18(2) which reads as follows:

> "18(2) Where the applicant fails to file a Form TM8 or counter-statement within the relevant period, the application for registration, insofar as it relates to the goods and services in respect of which the opposition is directed, shall, unless the registrar otherwise directs, be treated as abandoned." (my emphasis).

How the discretion should be approached

10. In approaching the discretion provided by the use of the words: "…unless the registrar otherwise directs" in rule 18(2), the Tribunal takes into account the decisions of the Appointed Person ("AP") in *Kickz AG and Wicked Vision Limited* (BL-O-035-11) and *Mark James Holland and Mercury Wealth Management Limited* (BL-O-050-12) i.e. the Tribunal has to be satisfied that there are extenuating circumstances which justify the exercise of the discretion in the applicant's favour. The parties accepted that this was the correct approach.

The submissions at the hearing

11. At the hearing, Mr Wyness explained that the in-house lawyer to whom the conduct of these proceedings had been entrusted by the applicant was not a trade mark specialist. Despite what appear to be comments to the contrary contained in paragraph 7 of Mr Dick's statement (in which he states he gave the UK distributor a "detailed timeline of the case"), Mr Wyness submitted that the instructions provided to the UK distributor by Mr Dick were obviously not sufficiently clear for the in-house lawyer to appreciate fully the importance of meeting the deadline of 26 October

2015. He stated that it was never the applicant's intention to abandon the application, adding that the parties had been in negotiations with a view to settlement. Finally, he argued that there would be no prejudice to the opponents if the Form TM8 was admitted and the proceedings allowed to continue.

12. The basis of Ms Fox's submissions were contained in her skeleton argument. In particular, she argued that in the circumstances described by Mr Dick in his statement:

> "A reasonable applicant in those circumstance would have taken some steps to ensure that its instructions were being actioned given the impending deadline, particularly if (as can be inferred from the Barry Dick statement) the applicant did not have an established history of working with the in-house lawyer in question" (paragraph 8 of the skeleton argument refers).

13. Ms Fox pointed out that there was no evidence of any such steps being taken by the applicant. Insofar as Mr Wyness' arguments relating to the prejudice to the applicant and the lack of prejudice to the opponent were concerned, Ms Fox pointed to the comments of the APs in the decisions mentioned above, which, in her view, addressed those submissions. Finally, although the negotiations between the parties had been conducted on a without prejudice basis, Ms Fox was able to state that to date no progress had been made.

14. In response to Ms Fox's submissions, Mr Wyness accepted that the applicant had, to use the words of the AP in *Kickz*, been "the author of its own misfortune" (paragraph 15 of the decision refers). He also accepted that there had been a lack of organisation/follow-up on the applicant's part. Notwithstanding those admissions, he argued that when all of the factors are weighed, the discretion should be exercised in the applicant's favour and the late filed Form TM8 admitted into the proceedings.

DECISION

15. In reaching a conclusion, I note that in his witness statement Mr Dick confirmed that he received the official letter of 24 August 2015 (which served the Form TM7) and that he forwarded the Tribunal's e-mail to MW on the same day. I further note that on 2 October 2015, MW was advised by Mr Dick that the opposition would be dealt with by an in-house lawyer at his UK distributor, Copestick-Murray, with Mr Dick indicating in his witness statement he provided the in-house lawyer with a detailed chronology of the proceedings. Either because those instructions were not sufficiently precise or because, as Ms Fox submitted, Mr Dick did nothing to monitor the position himself, it was not until 10 November 2015 that he became aware that due to pressure of work the in-house lawyer to whom the matter had been entrusted had missed the deadline of 26 October 2015. I note in this regard that despite what appears to be the untested nature of the relationship between the applicant and its UK distributor, there is no evidence that any mechanism was put in place by the applicant to monitor the deadline. Finally, whilst I accept that the applicant will suffer prejudice if the application is abandoned and that the short delay in filing the Form TM8 is unlikely to prejudice the opponents to any significant extent, I agree with Ms Fox's submission (by reference to comments of the AP in *Kickz* and *Mercury*), that these factors do not (to use the words of the AP in *Mercury*):

"…counterbalance the lack of any compelling reason [for the applicant] to be treated as defending the opposition, notwithstanding [its failure] to comply with the inextensible time limit in Rule 18" (paragraph 36 point (v) of the decision in *Mercury* refers).

16. **Having considered the competing written and oral submissions and the decisions in *Kickz* and *Mercury*, my decision is not to exercise the discretion available under rule 18(2) in the applicant's favour. The consequence of that decision is that subject to any successful appeal, the application will treated as abandoned.**

COSTS

17. As my decision concludes the proceedings, I must now go on and consider the matter of costs. At the hearing, Mr Wyness accepted that if the opponents were successful at the hearing, they would be entitled to, inter alia, a contribution towards the costs incurred by them in preparing for and attending the hearing. In her submissions at the hearing, Ms Fox argued that if the opponent was successful, costs other than for the hearing should be on the official scale. However, in relation to the hearing itself, Ms Fox sought an award of costs off the scale as a consequence of what she characterised as the applicant's unreasonable behaviour in relation to the reappointment of the hearing. The relevant chronology compiled from the official file and on the basis of information provided by Ms Fox at the hearing, with which Mr Wyness did not take issue, is, as I understand it, as follows:

26 October 2015:	Deadline to file Form TM8;
17 November 2015:	Form TM8 filed;
18 December 2015:	Witness statement of Mr Dick filed;
16 January 2016:	Tribunal's Preliminary View to refuse to admit the late filed Form TM8; hearing request by 1 February;
21 January:	Applicant requests a hearing;
1 February:	Official letter appointing hearing for 17 February at 10.30am;
2 February:	MW responds to RGC's request to change the date of the hearing indicating that it is awaiting instructions;
10 February:	MW advises RGC that the applicant does not agree to a change of the date of the hearing;
11 February:	RGC's letter to the Tribunal proposing alternative dates for the hearing;

11 February:	Tribunal responds indicating that the Hearing Officer is amenable to rescheduling the hearing and offering a range of dates in February; allows until 18 February for a response;
11 February:	Mr Wyness advises the Tribunal that the applicant does not agree to a change of the date of the hearing;
11 February:	Mr Wyness confirms the above and indicates he will not be available between 23 February and 2 March;
12 February:	Tribunal notes the applicant's objection to the postponement and indicates that the hearing will go ahead as scheduled i.e. on 17 February at 10.30am;
12 February:	Applicant files its one page skeleton argument;
15 February:	Ms Fox indicates that she is awaiting instructions and asks if the requirement for a skeleton argument can either be dispensed with or if it can be filed after the hearing;
15 February:	Tribunal indicates that in view of the straightforward nature of the issue to be decided and the well-established case law in relation to the issue, the skeleton argument should be filed by 6pm on 16 February i.e. the day before the hearing;
15 February:	Ms Fox notes the above and indicates that a skeleton argument will be filed by the extended deadline;
16 February:	Mr Wyness responds to the official letter of 15 February, objecting to the additional time allowed to the opponents to file their skeleton argument and indicating the applicant will be disadvantaged by such an approach;
16 February:	Hearing Officer responds to the above providing reasons for the decision to allow the late filing of the opponents' skeleton argument;
16 February:	Mr Wyness' further comments on the decision to allow the late filing of the opponents' skeleton argument and requesting a new hearing date and a different Hearing Officer;
16 February:	Opponents file their four page skeleton argument;

17 February:	Tribunal responds indicating that the Hearing Officer has considered Mr Wyness' comments and the hearing will go ahead as scheduled;
17 February:	Mr Wyness responds to the above indicating that the applicant has not been given sufficient time to review the opponents' skeleton argument and asks again for the hearing to be rescheduled;
17 February:	Ms Fox indicates that she would prefer the hearing to proceed on 17 February, indicating that she would be available to attend at 3pm if this would assist. She states: "These additional exchanges would have been entirely avoided had the applicant responded reasonably to the opponents' original proposal for an adjournment two weeks ago. The applicant's approach has given rise to substantial unnecessary costs and the opponents will be seeking a contribution to those when this matter falls to be heard."
17 February:	Mr Wyness responds to the above stating, inter alia, that as the opponent failed to comply with the requirements to file a skeleton argument in the normal timeframe it "should be excluded from the hearing";
17 February:	Tribunal advises that Mr Wyness has refused to attend the hearing as scheduled and is not amenable to the hearing taking place at 3pm. Tribunal indicates that the opponents will not be excluded from the hearing. The hearing is reappointed for 8 March at 10.30am;
17 February:	Ms Fox indicates that she is not available to attend the hearing on 8 March, but is available on 14, 15 or 16 March or any day in the week commencing 21 March;
17 February:	Tribunal responds indicating that the parties should agree a date (from a number of dates provided) by close of business on 18 February (failing which a date will be imposed by the Tribunal);
17 February:	Ms Fox indicates that the parties are liaising re an alternative date;

18 February:	RGC indicates that the parties have agreed 15 March as the date for the rescheduled hearing;
18 February:	Tribunal appoints the rescheduled hearing for 15 March at 10.30am.

18. As I understand it, on receipt of the Tribunal's letter of 1 February 2016 appointing the hearing for 17 February, RGC wrote promptly to MW with a request that alternative dates for the hearing be considered. On 2 February, MW responded to that request indicating that it was awaiting instructions and on 10 February, MW advised RGC that the applicant did not agree to reschedule the hearing. Consequently, when RGC wrote to the Tribunal on 11 February, it should have been aware that the applicant was not prepared to reschedule the hearing. In its letter of 11 February, RGC indicates that "the opponent wishes to take part in the hearing" but indicates that it is "unable to attend on the date set". I take this to mean that Ms Fox was initially unavailable on the date the hearing was originally scheduled. Whilst I have no doubt that Ms Fox felt it was preferable for her to attend the hearing on the opponents' behalf, given her later submissions regarding the straightforward nature of the issue to be determined, it may, at that point, have been more efficient to consider allowing another trade mark attorney at RGC to attend the hearing in Ms Fox's place.

19. However, having received RGC's request, the Hearing Officer originally listed to hold the hearing (but who was unable to hold the re-appointed hearing due to annual leave, and who, at that point, was unaware that MW had objected to the hearing date being changed), indicated she was amenable to the request and allowed the professional representatives an opportunity to agree an alternative date within a reasonable timeframe. The volume of correspondence which followed in relation to this issue, was, by any standards, entirely disproportionate. As soon as the Tribunal became aware that the applicant objected to the rescheduling of the hearing, the parties were advised that the hearing would go ahead as scheduled and the applicant filed its skeleton argument. However, at this point Ms Fox indicated that she was still waiting instructions "as to whether [the opponents] will be represented at the telephone hearing" (despite RGC stating in its letter of 11 February that the opponent "wishes to take part in the hearing"). Due to a national holiday in the US and as "the attorney who will attend the hearing" had been out of the country on business, she indicated that it would not be possible to meet the deadline for the filing of the skeleton argument i.e. 2pm on 15 February 2016 and offered various alternatives she felt would assist.

20. In order to preserve the hearing date as Mr Wyness had requested, the Tribunal explained that given the straightforward nature of the issue and the well-established case law, the opponents were to be allowed until 6pm on the day before the hearing to file their skeleton argument and to copy it to MW (a direction with which the opponents complied). Mr Wyness challenged this approach, indicating that he was in meetings all day on the 16th and would, as a consequence, be disadvantaged. The Hearing Officer responded to Mr Wyness' concerns reiterating the straightforward nature of the issue and the well-established case law and pointed out that it was preferable for both Mr Wyness and her to know the opponents' position prior to the hearing. I note that the Hearing Officer stated:

> "While it is unfortunate that the opponent was not able to file its skeleton argument earlier, I do not consider that the applicant will be in any way prejudiced by receiving the skeleton argument this evening...".

21. Mr Wyness responded in horror to that letter indicating that there would be insufficient time for him to prepare and, despite his request for the original hearing date to be preserved, he asked for the hearing to be rescheduled. Despite the Hearing Officer indicating that the hearing would go ahead as scheduled, and despite Ms Fox's offer to reschedule the hearing for the afternoon of the same day (thus allowing Mr Wyness more time to consider the four page skeleton argument filed), Mr Wyness refused to attend the hearing at 10.30 or to attend in the afternoon as Ms Fox had suggested. Given Mr Wyness' stated position on the serious prejudice the applicant would suffer if the hearing proceeded as scheduled, the hearing was vacated and rescheduled for 8 March. However, as Ms Fox was not available on that date, the parties finally agreed 15 March as the date for the re-appointed hearing.

22. Having written to MW in a timely manner and having received a holding response on 2 February, it is surprising that it took MW a further eight days to respond to RGC; however, as I understand it, in its response of 10 February, it indicated that the applicant was not prepared to reschedule the hearing. Whilst it was not, in my view, strictly necessary for Ms Fox to attend the hearing on the opponents' behalf, I accept that from her perspective it was highly desirable that she should. Insofar as the Tribunal's approach to the matter is concerned, faced with a request for a hearing date to be re-arranged in circumstances where it initially appeared that the professional representatives were simply having difficulties coordinating their diaries, the initial approach was, in my view, entirely appropriate. However, as soon as it transpired that was not the case, the Tribunal made every effort to preserve the original hearing date as Mr Wyness had requested. Given the nature of the issue to be determined and the well-established case law in that regard, the decision to allow the opponent to file its skeleton argument by 6pm on the day prior to the hearing was, once again, in my view, appropriate. Insofar as that skeleton argument was concerned, other than reciting the chronology of the proceedings and the relevant case law (all of which Mr Wyness would have been very familiar with), the burden was, in any event, on the applicant to convince the Hearing Officer to exercise her discretion in its favour.

23. Had MW responded to RGC's request that the hearing be rescheduled in a reasonable timeframe, it may have been possible for RGC to have taken steps to ensure that the opponents were adequately represented at the hearing and a skeleton argument would have been filed in a timely manner. As to Mr Wyness' decision not to proceed with the hearing as scheduled, I remind myself, the applicant had requested the hearing and Mr Wyness had made it absolutely clear the applicant did not want the hearing to be postponed. To then not proceed with the hearing as scheduled simply because the opponents' four page skeleton argument was filed late in the day before the hearing (a skeleton argument which was unlikely to, and, in fact, did not contain any surprises), was, given that the burden was on the applicant in any case, in my view, surprising, and of course, it delayed the proceedings still further.

24. In reaching a conclusion on costs, I remind myself that Mr Wyness accepted that if the opponents were successful at the hearing they would be entitled to a contribution towards the costs incurred by them in that regard (the hearing lasting some forty-five minutes). As to Ms Fox's submissions on this point, there can be little doubt that MW's delay in responding to RGC's timely request to reschedule the hearing originally listed for 17 February (indicating that it did not agree to a revised hearing date), combined with the approach adopted by Mr Wyness in relation to the hearing itself, which I have characterised as "surprising", will have increased the costs incurred by the opponents. That said, by the time RGC wrote to the Tribunal on 11 February, it ought to have been aware that the applicant was not prepared to reschedule the hearing. As to Mr Wyness' approach to the late filing of the opponents' skeleton argument, this was, in my view, disproportionate given the nature of the issue involved and as the burden was, in any case, on the applicant. However, it was more likely, in my view, to have been motivated by a desire on his part to ensure that the applicant had the best possible prospect of success at the hearing (a hearing which throughout his correspondence he had, given the nature of the applicant's failure and the fact that the parties were negotiating, maintained was unnecessary), rather than an attempt to thwart the opponents' attendance at the hearing or to place an unnecessary burden on the Tribunal. Weighing all of the above, I am not, as Ms Fox requested, prepared to make an award of costs off the scale to the opponents in relation to the hearing.

25. Before I return to the issue of costs, it is important to point out that the Tribunal does not have infinite resources. The Tribunal strives to comply with the Overriding Objective i.e. to deal with cases justly and at proportionate cost and to allot an appropriate share of the Tribunal's resources, while taking into account the need to allot resources to other cases. This goal would be seriously undermined if proceedings were routinely conducted on the basis outlined above; thankfully, that is not the case. Regardless, now is an opportune moment to remind those using the Tribunal that they should, insofar as it is reasonably possible, cooperate to ensure that the principles outlined in the Overriding Objective are observed.

26. Returning to costs, awards of costs are dealt with in Tribunal Practice Notice ("TPN") 4 of 2007. Bearing the guidance in that TPN in mind, and the conclusions I have reached above, I award costs to the opponents on the following basis:

Opposition fee:	£200
Preparing a Notice of Opposition;	£300
Reviewing the late filed Form TM8 and witness statement;	£200
Preparation for and attendance at the joint hearing:	£300

Total: **£1000**

27. I order Winesuperhero Limited to pay to DC Comics and Marvel Characters, Inc. (jointly) the sum of **£1000**. This sum is to be paid within fourteen days of the expiry of the appeal period (see below) or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 29th day of March 2016

C J BOWEN
For the Registrar
The Comptroller-General