

TRADE MARKS ACT 1994

**IN THE MATTER OF AN INTERLOCUTORY HEARING IN RELATION TO
OPPOSITION NOs: 48426, 48427, 48428, 48429, 48430, 48431, 48432, 48433, 48434,
48435, 49656, 48436, 48437, 48438, 48439, 48408
BY VIRGIN RECORDS LIMITED TO TRADE MARK APPLICATION Nos: 2149402,
2419403, 2149404, 2149405, 2149406, 2149407, 2149408, 2149409, 2149415, 2149418,
2149420, 2149421, 2149424, 2149425, 2149426, 2149428
BY MINISTRY OF SOUND RECORDINGS LIMITED**

TRADE MARKS ACT 1994

IN THE MATTER OF an interlocutory hearing in relation to Opposition nos: 48426, 48427, 48428, 48429, 48430, 48431, 48432, 48433, 48434, 48435, 49656, 48436, 48437, 48438, 48439, 48408 by Virgin Records Limited to trade mark application nos: 2149402, 2149403, 2149404, 2149405, 2149406, 2149407, 2149408, 2149409, 2149415, 2149418, 2149420, 2149421, 2149424, 2149425, 2149426, 2149428 by Ministry Of Sound Recordings Limited

Background

1. In October 1997, Ministry of Sound Recordings Limited of London applied to register the following trade marks in Class 9:

Application No.	Trade Mark
2149402	SMOOTH NATION
2149403	RAP NATION
2149404	PARTY NATION
2149405	SUMMER NATION
2149406	DANCE NATION
2149407	LOVE NATION
2149408	DISCO NATION
2149409	SWING NATION
2149415	TRANCE NATION
2149418	HIP HOP NATION
2149420	INDIE NATION
2149421	POP NATION
2149424	DUB NATION
2149425	MELLO NATION
2149426	CLUB NATION
2149428	LATINO NATION

2. Following examination the applications were accepted and published for the following specification of goods:

“Records, tapes, cassettes, compact discs, CD Roms, recording discs, laser discs, sound and video recordings, film, computer software and computer games”

save for: application No. 2149420 for the trade mark INDIE NATION, which was published for the following specification of goods:

“Records, cassettes, compact discs, recording discs, laser discs, sound and video recordings, film”.

3. In April 1998 following publication, Virgin Records Limited of London filed notices of opposition against all the applications; in June 1998 the applicants filed counterstatements in

which all of the grounds of opposition were denied; both parties subsequently filed evidence. At the substantive hearing held on 19 November 2001, the applicants were represented by Mr James Mellor, of Counsel instructed by Dechert; the opponents were represented by Mr Richard Arnold of Her Majesty's Counsel instructed by Mathisen & Macara. The grounds of opposition pursued before the Hearing Officer at the hearing were those under:

- (a) under section 3(1)(a) of the Act, in that the trade marks for which registration are sought are not capable of distinguishing the goods of the applicant from the goods of any other trader;
- (b) under section 3(1)(b) of the Act, in that the trade marks are devoid of any distinctive character;
- (c) under section 3(1)(c) of the Act, in that the trade marks consists exclusively of signs or indications which may serve in trade to designate the kind, quality or other characteristics of the goods;
- (d) under section 3(1)(d) of the Act, in that the trade mark consists exclusively of words which have become customary in the current language and/or bona fide and established practices of the trade.

4. On 5 March 2002, the Hearing Officer's decision was issued to the parties. In a single decision covering all sixteen applications, the Hearing Officer concluded that all sixteen applications offended Sections 3(1)(b), (c) and (d) of the Act. Consequent upon that decision the oppositions to all sixteen applications succeeded and the Hearing Officer directed that the applicants pay to the opponents the sum of £6000 as a contribution towards their costs. The parties were allowed until 2 April 2002 to appeal the Hearing Officer's decision to either the Appointed Person or the Court.

5. On 2 April 2002, Dechert wrote to the Trade Marks Registry. Attached to that letter was a Form TM9 (a request for an extension of time on an application) in which a further period of 1 month i.e until 2 May 2002 was requested. The reason given for the request was as follows:

“It is intended to file an appeal to the appointed person but unfortunately, due to the Easter Holiday period, it has not been possible to arrange the consultation with Counsel that represented the applicant at the hearing and to therefore finalise the Grounds of Appeal. As it is intended that the original Counsel also represent the applicant at the appeal, we believe it is crucial to obtain his input in these proceedings.”

6. In a letter to the parties dated 4 April 2002, the Trade Marks Registry indicated that its preliminary view was that the extension of time until 2 May 2002 should be granted and the parties were allowed until 18 April 2002 in which to comment on this preliminary view. In a letter to the Trade Marks Registry dated 17 April 2002, Mathisen & Macara requested a hearing to contest this preliminary view.

7. On 2 May 2002, Dechert wrote to the Trade Marks Registry enclosing their Statement of

Grounds of Appeal and Statement of Case.

8. On 27 May 2002 an interlocutory hearing took place before me to consider the applicants' request mentioned in paragraph (5) above. At the hearing, Mr Mark Chacksfield of Counsel instructed by Dechert represented the applicants for registration; the opponents were represented by Mr Stephen Knott of Mathisen & Macara. Having considered both parties written and oral submissions, my decision was to allow the applicants' request for additional time and in so doing to allow into these proceedings the applicants' appeal to the Appointed Person. At the conclusion of the hearing I allowed the parties a cumulative period of 14 days in which to make written submissions on costs. Having considered these written submissions, I wrote to both parties on 14 June 2002. The substance of my letter is reproduced below:

“Having considered both parties skeleton arguments together with the oral submissions at the hearing, my decision was to allow the applicants' extension of time to 2 May 2002, and in so doing to allow into the various proceedings the applicants' Appeal to the Appointed Person also dated 2 May 2002.

However, I explained that in view of the clear guidance given in various Decisions of the Appointed Persons, together with the guidance provided in Tribunal Practice Notice 3/2000, the explanation provided by your firm supporting the request for additional time to appeal the Registrar's Decision (provided on the Form TM9 filed on 2 April 2002), left a great deal to be desired. Consequently, it was in my view right for the applicants to pay a contribution towards the expense the opponents have incurred in opposing a request for additional time, which, if correctly completed by your firm, may have avoided this interlocutory dispute altogether. In this regard, I have now received Mr Knott's letter of 28 May 2002 and your firm's response dated 13 June 2002. Having considered both, I order the applicants to pay to the opponents the sum of £900 as a contribution towards their costs in these interlocutory proceedings.”

9. On 24 June 2002, Mathisen & Macara filed a Form TM5 in which they requested a written statement of the grounds of my decision; this is provided below.

The Skeleton Arguments

The Opponents' Submissions

10. The relevant extracts from the opponents' skeleton argument (in so far as they were pursued before me) are, in my view, those reproduced verbatim below:

“First, it is not clear in respect of which opposition the extension has been requested. The oppositions are not consolidated (see in this regard the decision of the Hearing Officer in the Interlocutory Hearing of 20 January 2000) and it is clear that the Hearing Officer gave decisions in all sixteen oppositions. In this regard see paragraph 41 of the decision “.....the oppositions to all the applications succeed....”). In addition, see paragraphs 36-38 of the decision where the Hearing Officer considered the different evidence in two of the oppositions. There is thus a separate right of appeal in each application that can be exercised individually. Accordingly, the reference to “any

decision” in Section 76 of the Trade Marks Act 1994 must in the present case be a reference to each decision made by the Hearing Officer in the sixteen oppositions. Accordingly, there is a term of 28 days under Rule 63 of the Trade Mark Rules 2000 in respect of each of the sixteen applications and thus the extension of those periods under Rule 68 of the Trade Mark Rules 2000 requires a Form TM9 for each application.

It is pointed out that the applicant is well aware of this requirement since it has already been an issue in the proceedings. For these reasons, we submit that the Registry should not exercise any discretion it may have in this matter in favour of the applicants.

In addition, it is submitted that a term of one month is sufficient time in which to allow the applicant to decide whether to appeal to the Appointed Person against the decisions of the Hearing Officer in these oppositions. The decisions are dated 5 March 2002 and the 28 day periods for appeal ended on 2 April 2002. The Easter holiday - 29 March 2002 and 1 April 2002 - represented only the final two days of this term and it is submitted that the applicants had more than sufficient time before the “Easter holiday” period in which to reach their decisions.

Next, the Registry are referred to the Tribunal Practice Notice (TPN 3/2000) dealing with requests for extensions of time in which to appeal decisions. These emphasise the comments of the Appointed Person that extensions such as these must be approached with the greatest caution and that an extension should be granted only if there is a reason which is sufficiently strong to outweigh the potential harm to other parties or the public that may be caused by a further delay. The only reason given by the opponent on the Form TM9 is that “it has not been possible to arrange a consultation with Counsel”. It is submitted that this does not meet the requirements of the Practice Notice and this is supported by the case: In the matter of an Interlocutory Hearing in relation to an application by Debonair Trading Internacional Lda for the Revocation of Trade Mark Registration No. 712741 in the name of Kamenosuke Sawada, Revocation No. 12475. In that case a need to consult Counsel was specifically deemed insufficient to support an extension of the appeal period. The remaining comments in that decision are also relevant in the matter at issue here.

In particular, it is pointed out that paragraphs 31 and 32 of that decision confirm that the only reasons for the requested extension that can be considered at the hearing are the reasons given on the Form TM9. It is not permissible for the applicant to advance additional reasons at the hearing.

Such an extension would prejudice the opponents seriously since they have plans to release an album under the CLUB NATION mark as soon as the appeal period has ended (or any appeal has been decided). In the interim, the applicants have released an album under the trade mark CLUB NATION - MIAMI. Thus by seeking to extend the period for appeal, the applicants are gaining a commercial advantage over the opponents which is plainly not in the interests of the opponent.

We therefore ask that the Registry refuse the extension request in respect of the one

application to be designated as being the application to which the TM9 refers (presumably 2149426) and confirm that the term for appeal to the Appointed Person in respect of the other fifteen applications has lapsed. In the event that the Registry, by whatever means, decides that extension requests have been made in all sixteen oppositions, we ask that the extensions be refused.”

The Applicants’ Submissions

11. In their skeleton argument the applicants correctly identified that the opponents list four objections to the granting of their extension of time request. The fourth, which was in respect of the name of the applicant was not pursued before me and I need make no further mention of it (it is however included below for the sake of completeness and to place other comments into context). The objections were characterised in the applicants’ skeleton argument in the following manner:

“Virgin’s objections

13) Virgin objects on four putative grounds:

- a) that it is not clear in respect of which opposition the extension has been requested;
- b) that a term of one month is sufficient time;
- c) that the extension would prejudice the opponents;
- d) and that it is not clear who is making the request.”

12. The relevant extracts from the applicants’ skeleton argument in response to these objections (albeit not in the order they were presented in the skeleton argument) are, in my view, those reproduced verbatim below:

“Reasonableness of the request

7).....

8) The appeal involves 16 applications, a significant quantity of evidence, and the exploration of some uncertain areas of law. It is commercially valuable. Ministry wished to be properly advised, and to phrase its appeal in the most persuasive manner - it does not wish to miss good points, or take bad ones. Accordingly, and in particular with the inevitable disruption of the Easter vacation, it sought an extension of one month.

9).....

10) In the present instance Ministry quite properly sought a modest extension so as to enable it to properly consider how to best run a valuable, fairly complex, case.....

11) Virgin has made reference to the case of *Debonair v Kamenosuke*. That was a very different case, in which a 2 month extension was denied to a TM proprietor who had failed to take *any action at all* since being notified of the start of revocation proceedings some 5 months beforehand. Inaction of this sort is not a complaint that can be levelled at Ministry. Furthermore, in all of this one must bear in mind that Ministry have not squandered any time, and indeed it did file the appeal documents during the period of the requested extension.

12) In the premises, Ministry's application under s68 should be accepted. It sought only a modest extension. It has not displayed unreasonable tardiness. It has now filed the appeal documents. The short extension is an appropriate one to be granted.

The technical complaints

14) "a" and "d" are bad points. It is plainly apparent from the header to the cover letter and the attachment to the form TM9 (to which the form directly refers) that the extension request is made in respect of all 16 applications. Likewise, in the context of 16 applications made by "Ministry of Sound Recordings Limited" the identity of the body described "Ministry of Sound" is abundantly clear.

15) If there is a technical error in the TM9 Form as Virgin suggests, that is something that can be rectified under Rule 66. There is no confusion or prejudice caused. To disallow an appeal on these grounds would be manifestly disproportionate and unjust.

16) As to "b" the issue of the reasonableness of a 1 month extension has been discussed above.

Prejudice

17) Finally "c" - the alleged prejudice. The release of CLUB NATION - MIAMI by Ministry is of no relevance - the release of this CD is independent of the outcome of these applications. Furthermore the new album is but part of a long series of ".....NATION" (including CLUB NATION) CDS previously released by Ministry, or its licensees.

18) The alternative argument that Virgin's proposed launch is seriously prejudiced does not stack up for two reasons; (i) if there really was such a "serious prejudice", Virgin would not have waited for 13 days, that is *half* of the requested extension, before lodging its objections and (ii) in any event in the context of a dispute that has been running for over 4 years (for which length both sides are responsible) a delay of *1 month* to allow Ministry to properly prepare its appeal is hardly disproportionate or oppressive."

13. In the event that I was not minded to allow the extension of time request on the basis of the arguments above, the applicants also included in their skeleton argument an "alternative approach". In the event, it was not necessary for me to consider the applicants' "alternative approach" and as such I make no further mention of it in this decision.

Grounds of Decision

14. In order to place the opponents' objections to the applicants' request for an extension of time into context, it is, I think, helpful to consider comments made by Mr Knott at the conclusion of the hearing made in relation to the issue of costs. Mr Knott said:

MR KNOTT: "I do not really have anything to add, beyond what you have said. Without casting any aspersions anywhere, we have been put to a lot of work. Obviously, I cannot speak for my client, but I do think if everything had been done in accordance with the Tribunal Practice Note, they may well not have taken any action at all to appeal the decision. Obviously, they accept that the applicants have a right of appeal and they are entitled to appeal. They accept that extensions are available. I think both of those two we would not wish to challenge for a second. It would not be right to do so, but it is largely the manner in which it was done. I do think that an exceptional award is appropriate, but I am happy to leave it to you."

15. The relevant sections of the Act and Rules governing the issues in this interlocutory matter are as follows:

Rule 14 - Decision of registrar in opposition proceedings

"**14.** - (1) When the registrar has made a decision on the acceptability of an application for registration following the procedure under rule 13, she shall send the applicant and the person opposing the application written notice of it, stating the reasons for her decision.

(2) For the purpose of any appeal against the registrar's decision the date of the decision shall be the date when notice of the decision is sent under paragraph (1) above."

Section 76 - Appeals from the registrar

"**76.** - (1) An appeal lies from any decision of the registrar under this Act, except as otherwise expressly provided by rules.

For this purpose "decision" includes any act of the registrar in exercise of a discretion vested in him by or under this Act."

Rule 63 - Appeal to person appointed

"**63.** - (1) Notice of appeal to the person appointed under section 76 shall be sent to the registrar within 28 days of the date of the registrar's decision which is the subject of the appeal accompanied by a statement in writing of the appellant's grounds of appeal and of his case in support of the appeal.

(2).....

(3)....."

Rule 68 - Alteration of time limits

“68. - (1) The time or periods-

(a) prescribed by these Rules, other than the times or periods prescribed by the rules mentioned in paragraph (3) below, or

(b) specified by the registrar for doing any act or taking any proceedings,

subject to paragraph (2) below, may, at the written request of the person or party concerned, or on the initiative of the registrar, be extended by the registrar as she thinks fit and upon such terms as she may direct.

(2) Where a request for the extension of time or periods prescribed by these Rules -

(a) is sought in respect of a time or periods prescribed by rules 13, 18, 23, 25, 31, 32, 33 or 34, the party seeking the extension shall send a copy of the request to each person party to the proceedings;

(b) is filed after the application has been published under rule 12 above the request shall be on Form TM9 and shall in any other case be on that form if the registrar so directs.

(3) The rules excepted from paragraph (1) above are rule 10(6) (failure to file address for service), rule 11 (deficiencies in application), rule 13(1) (time for filing opposition), rules 13(3) and 13(5) (time for filing counter-statement), rule 13(4) (cooling off period) save as provided for in that rule, rule 23(4) (time for filing opposition), rule 25(3) (time for filing opposition), rule 29 (delayed renewal), rule 30 (restoration of registration), rule 31(2) (time for filing counter-statement), rule 32(2) (time for filing counter-statement), rule 33(2) (time for filing counter-statement), and rule 47 (time for filing opposition).”

16. For the sake of convenience, I will deal with the opponents’ three remaining objections in the order indicated above. The first of these is as follows:

(1) That it is not clear in respect of which opposition the extension has been requested.

The provisions of rule 63 allow parties a period of 28 days to lodge a notice of appeal against a decision of the registrar to the Appointed Person. It is not in dispute in these proceedings that under the provisions of rule 68 a party can seek to have this period extended. Such requests for additional time must be made on Form TM9, accompanied by the appropriate fee, and must include reasons for the request. Once again there is no dispute that a Form TM9 together with a fee was filed on 2 April 2002 ie. within the period allowed for appeal in the official letter of 5 March 2002. A copy of the letter of 2 April 2002 from Dechert which accompanied the Form TM9 is shown in the Annex to this decision; the letter identifies all sixteen applications by both application and opposition number and includes the names of the parties. Given that all the oppositions were successful under Sections 3(1)(b)(c) and (d) of the

Act, in my view nobody could have been in any doubt that it was the applicants' intention to appeal the decision as a totality.

17. At the interlocutory hearing Mr Knott argued on much the same basis as he had in his skeleton argument ie. that the reference to "any decision" in Section 76 of the Act must in the case of these proceedings be a reference to each decision made by the Hearing Officer in each of the sixteen oppositions. With respect, I disagree. Although the various applications were not consolidated, given the nature of the evidence filed by the respective parties, the Hearing Officer was able to hear all of the oppositions at one substantive hearing, to issue one composite decision and to award costs with these factors specifically in mind. In my view the single decision issued by the Hearing Officer in respect of all sixteen applications constitutes the "decision" issued in these proceedings as envisaged by rule 14 and Section 76. As such, it was in my view acceptable for a party wishing to appeal such a composite decision to file a single Form TM9.

18. In the event that I am found to be wrong in this respect, rule 66 provides the registrar with a wide discretion to rectify irregularities in procedure. It reads as follows:

Rule 66 - Correction of irregularities of procedure

"66. Subject to rule 68 below, any irregularity in procedure in or before the Office or the registrar, may be rectified on such terms as the registrar may direct."

In applying this rule I agree with Mr Chacksfield when he said:

".....If there has been an error it is pretty clear what is being sought, and, yes, there may be a procedural defect, but that is one that can be repaired quite simply. Has there been a prejudice? The answer is clearly no. It was obvious to us. It was obvious to the registrar when they wrote to us on 4th April what was being referred to."

19. Consequently, even if I am held to be wrong in my interpretation of the word "decision", it would in my view be wholly wrong for the applicants to lose what after all is their fundamental right of appeal because of their failure to comply with a procedural requirement. In the circumstances, I would, had it been necessary, have exercised my discretion in the applicants' favour and allowed them to correct the irregularity under the provisions of rule 66.

(2) That a term of one month is sufficient time in which to prepare and file a Notice of Appeal

20. The Trade Mark Registry's practice in relation to requests for additional time in which to appeal decisions of the Registrar (following the decision of Simon Thorley QC sitting as the Appointed Person in *Whiteline Windows Limited v Brugmann Frisoplast GmbH*) has been incorporated into Tribunal Practice Notice (TPN) 3 of 2000. The relevant extract from that notice is reproduced below:

"Requests for extensions of time in which to appeal decisions

The prescribed periods during which appeals against decisions of the Comptroller or Registrar may be lodged may generally be extended by the Comptroller/Registrar. However, such extensions are discretionary and should not be granted lightly. In deciding whether to grant an extension the Hearing Officer needs to have full regard to the same overriding objectives as the courts, as set out in rule 1.1 of the Civil Procedure Rules 1998, one of which is to deal with cases expeditiously and fairly.

This was underlined in a recent decision, *Whiteline Windows Limited v. Brugmann Frisoplast GmbH* (unreported). Mr Simon Thorley Q.C. sitting as the Appointed Person on a trade marks appeal, commented that whilst he accepted that the Registrar had the power to extend the appeal period, it was a matter which must be approached with the greatest caution. He stated that caution was necessary to ensure that the exercise of discretion did not undermine the purpose underlying the statutory provision. He further commented that appeals create uncertainty and as such it was in the interests of everyone to ensure that appeals are disposed of timeously. Mr Thorley concluded by stating that extensions of time in which to enter notices of appeal are therefore not to be encouraged.

Thus an extension will only be granted if there is a reason which is sufficiently strong to outweigh the potential harm to other parties or the public that may be caused by further delay. This approach will be adopted in future not just for appeals against inter partes decisions but also for ex parte ones, for which a more-relaxed attitude may sometimes have been adopted in the past. Any request for an extension must be supported by full and detailed reasons. If the decision being appealed was made in inter partes proceedings, the request must be copied to any other party to proceedings, and the Comptroller/Registrar will seek to take their views into account before making a decision on the request. Please note that (i) on trade marks cases, requests for extension must be made on Form TM9, and (ii) on patents and designs cases, the Comptroller cannot even entertain a request unless it is made before the expiry of the normal appeal period.”

21. At the hearing, Mr Knott drew my attention to the comments of Mr Geoffrey Hobbs QC sitting as the Appointed Person in *Style Holdings PLC and Wilson Sporting Goods Co* (BL 0-464-01). I note that in that decision Mr Hobbs said:

“In his decision dated 9th October 2000 in Siddiqui’s Application, Mr Simon Thorley QC (sitting as the appointed person) emphasised that it is incumbent on the party applying for the extension of time to put forward facts which merit the requested extension he said:

“In a normal case this will require the applicant to show clearly what he has done, what he wants to do and why it is that he has not been able to do it. This does not mean that in an appropriate case where he fails to show that he has acted diligently but that special circumstances exist an extension cannot be granted. However, in the normal case it is by showing what he has done and what he wants to do and why he has not done it that the registrar can be satisfied that granting an indulgence is in accordance with the overriding

objective and that the delay has not been used so as to allow the system to be abused". I agree"

And:

"By not simply confining the hearing to the question whether the reasons put forward in writing on 2nd March 2000 were adequate as a basis for the exercise of discretion in the opponents' favour, the hearing officer effectively allowed the opponent to renew its request orally on 1st June 2000 (one day less than three months after the expiry of the extension of time granted in December 1999) and to do so on the basis of facts and matters which had not previously been brought to the attention of the Registrar or the applicant."

22. On the basis of the second passage reproduced above, Mr Knott argued (and I agreed) that the only reasons in support of the request for additional time that I should consider at the hearing were those contained in the original request made on 2 April 2002; for convenience the request is reproduced again below:

"It is intended to file an appeal to the appointed person but unfortunately, due to the Easter Holiday period, it has not been possible to arrange the consultation with Counsel that represented the applicant at the hearing and to therefore finalise the Grounds of Appeal. As it is intended that the original Counsel also represent the applicant at the appeal, we believe it is crucial to obtain his input in these proceedings."

23. It is clear from my letter to the parties dated 14 June 2002, that I felt that the reasons provided in the applicants' request for additional time (dated 2 April 2002) left a lot to be desired. Given that the appeal period began on 5 March 2002 (and notwithstanding Mr Chacksfield's comments regarding Counsel's availability during the Easter period), I am doubtful that the Easter holidays occurring as they did on Friday 29 March and Monday 1 April 2002 did, or should have impacted significantly on the applicants' ability to file their appeal in a timely manner. I infer from the following wording which appeared in the request for additional time:

".....and therefore to finalise the Grounds of Appeal"

that a draft Grounds of Appeal was in being at the time the request for additional time was requested; in the circumstances, it would perhaps have been prudent to provide a copy of these draft Grounds of Appeal in an effort to demonstrate that the applicants' had indeed been acting with some diligence. However, this was not done. Consequently, given Mr Hobb's guidance in *Style Holdings* which suggests that it is not open to me to consider the additional reasons provided by Mr Chacksfield at the hearing, together with the clear guidance provided in TPN 3 of 2000 with regard to requests for additional time in which to appeal decisions of the Registrar, it is my view (albeit I accept an arguable one), that in all the circumstances, the original request for additional time in which to file an appeal to the Appointed Person was insufficient for the Registrar to exercise her discretion in the applicants' favour.

24. However, that is not an end to the matter. In the case referred to by Mr Hobbs in *Style*

Holding i.e. *Dr Ghayasuddin Siddiqui and Dr M.H.A. Khan* - BL 0/481/00, Mr Thorley sitting as the Appointed Person said:

“.....In my judgement in the face of this, the hearing officer was placed in the position Mr Hobbs foreshadowed in the Liquid Force trade mark of an applicant who had not satisfied the court that he was not in default. Therefore, the sole question that arises is whether despite that default, the hearing officer should none the less have extended the time and the only possible reasons for doing that would be on the basis of a public interest.”

25. In response to questions from me on the public interest point, the parties said:

MR KNOTT: “When you were talking about prejudice to the public, I think that the evidence that the opponents filed in the opposition did put forward use of “nation” and various other words that formed the prefixes of some of the marks. It is quite clear, certainly in the opponents’ contention but not the applicants, that these words are around. I think that the presence of these applications can only create some general uncertainty. There may well be people out there who have been using NATION or thought NATION or thought that some of prefixes like “garage” or “dance” were perfectly free for use, who seeing the applications will be uncertain as to whether they can use them or continue to use them. I think that there is general public interest there.”

MR CHACKSFIELD: “There is certainly a public interest point. These marks have been used subsequent to the application going in. I think prior to the application the only use was by us except for these appearing in the titles of individual songs in certain circumstances. That is obviously a dispute of evidence between the parties, what those mean, but certainly they have been used subsequent to the trade marks going in. People do need to know where they stand. They need to know where they stand properly, so yes, I would agree.”

26. Having considered the respective parties submissions on the public interest point, I concluded that the need for both the trade and the public to know with certainty whether or not the term NATION (when accompanied by the descriptive prefixes shown in the sixteen applications above) in relation to the goods for which registration was sought in Class 9, was available for use was a sufficiently strong reason to allow the request for additional time notwithstanding the applicants’ failure to provide sufficient reasons for the additional time in their original request.

That the extension would prejudice the opponents

27. Notwithstanding the opponents’ comments in this regard which are reproduced above, given the length of these proceedings to date (which were joined in June 1998), I do not feel that the additional one month I have granted to the applicants in order to put their Grounds of Appeal in order is likely to cause any significant prejudice to the opponents.

Costs

28. Given the manner in which the applicants had originally completed the Form TM9, it was my view that the opponents should be compensated for attending an interlocutory hearing which, had the Form TM9 been correctly completed, may have been unnecessary (see Mr Knott's comments in this regard in paragraph (14) above.) In this regard, I indicated to the parties that I was minded to make a higher than "normal" award to the opponents to reflect the inconvenience to which they had been put - even to the extent that I may consider making an award of actual costs. Mr Chacksfield quite rightly urged me not to make an award of costs higher than the actual costs incurred; a request to which I obviously agreed. In order to assess the costs the opponents had incurred in respect of this interlocutory dispute, I allowed Mr Knott until 31 May 2002 to write to the Trade Marks Registry in this regard.; Dechert were then allowed until 7 June 2002 in which to respond to Mr Knott's letter. In the event Mr Knott's letter was received on 28 May 2002. It read as follows:

"Following the hearing in this matter on 27 May 2002, and at the request of the hearing officer, we advise that our charge to our client for dealing with this matter from our receipt of the Registry's letter of 4 April 2002 to the end of the hearing on 27 May 2002 is £1905.00."

29. The relevant extract from Dechert's letter of 13 June 2002 in response are, in my view, as follows:

".....At the hearing, the Hearing Officer indicated that he was minded to award costs towards the upper end of the normal scale, this limit being £900. He added that he would be surprised if the opponents' fees reached this amount..."

And:

".....What the applicant does note, however, is that the work undertaken by the opponent in preparing for the hearing consisted of only: considering the applicants' very brief letter of request and TM9; writing a short letter in reply; preparing for and attending the relatively brief hearing - the opponents' skeleton for which was a virtual "cut and paste" from its aforementioned letter. That the costs of this work totalled almost £2,000 is staggering - but as previously mentioned the applicant has not been told how these costs were incurred, and hence is unable to comment on them in any detailed manner".

And:

".....In the circumstances, the applicant would ask that the Hearing Officer adhere to his original indication of awarding costs towards the upper end of the normal scale, and respectfully suggests that a sum in the region of £700 be appropriate".

30. The scale of costs in operation for these proceedings (commencing as they did before 22 May 2000) are provided in Annex B of Tribunal Practice Notice (TPN) 2 of 2000. In relation to the item: **Preparation for and attendance at hearing** the TPN indicates that an award of

between £200 and £900 is appropriate. As indicated above, at the hearing I was originally minded to award the opponents a higher than “normal” costs award because of the inconvenience and expense they had been put to as a result of the applicants’ failure. At the hearing I said:

“I think in the circumstances the opponents in this case are entitled to an award of costs which fairly reflect all the work they have been put to, and I think reflect an award of costs this time - and very unusually - off the scale for the work they have been put to.”

I went on to say:

“I think I have made it reasonably clear that I am in the scale of £200 to £900, so I certainly would not be anywhere above £900 irrespective.”

31. While it is well established that the Registrar has a wide discretion to award costs as she sees fits (subject of course to the overriding objective that she must act judicially), in the circumstances of these proceedings, I awarded the opponents the sum of £900 as a contribution towards their costs ie. the maximum amount allowed on the official scale. At the hearing I indicated that I was minded to award costs “off the scale”; however, my qualifying remark reproduced above, makes it quite clear that by this I simply meant that I was minded to make an award above the “norm”. In the circumstances of these proceedings that is what I have done; whilst the £900 awarded to the opponents does not fully compensate them for the costs they incurred in dealing with this interlocutory issue, it is, in my view an appropriate contribution, bearing in mind the nature of the applicants’ failure in completing the Form TM9 correctly and the consequences which flowed from this failure.

Dated this 29TH Day of July 2002.

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



LAW SECTION
03 MAY 2002
RECEIVED

Kate O'Rourke
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Trade Marks Registry
Cardiff Road
Newport
South Wales
NP10 8QQ

Our Ref: CC215-017238/M96003
Your Ref: OPP 48408/HR38/SC
Doc No: 2260250

Attn: Miss Sarah Campbell

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By Fax and by Post

2 April 2002

NEWPORT

Dear Madam

Application Nos: 2149426, 2149402, 2149403, 2149404, 2149405, 2149406, 2149407,
2149408, 2149409, 2149412, 2149418, 2149420, 2149421, 2149424,
2149425, 2149428

Applicant: Ministry of Sound Recording Ltd

Opposition Nos: 48408, 48426, 48427, 48428, 48429, 48430, 48431, 48432, 48433, 48434,
48435, 48436, 48437, 48438, 48439 and 49656

Opponent: Virgin Records Limited

I refer to your letter dated 5 April 2002 and now enclose the Statement of Appeal and confirm that the appeal fee may be deducted from our deposit account.

Yours sincerely

Kate O'Rourke
Dechert

cc: Mathison & Mavara
Ref: 2JM/499/00

