

O-063-07

TRADE MARKS ACT 1994

**IN THE MATTER OF AN INTERLOCUTORY HEARING
IN RELATION TO APPLICATION NO. 2379954
IN THE NAME OF isdn datacom LIMITED**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 93541
BY MASTERCARD INTERNATIONAL INC.**

TRADE MARKS ACT 1994

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in relation to application No. 2379954
in the name of isdn datacom Limited
and in the matter of opposition thereto under
No. 93541 by MasterCard International Inc.

Background

1. Application No. 2379954 was filed on 8 December 2004 and stands in the name of isdn datacom Ltd. The application is for registration of the following series of two marks:



2. Following publication of the application in the Trade Marks Journal, Notice of opposition, on Form TM7 was filed by Field Fisher Waterhouse acting as agents for MasterCard International Inc.

3. There then followed a brief exchange of correspondence between the opponent's agent and the Trade Marks Registry which, for the purposes of this decision I do not need to summarise. Suffice to say that a copy of the notice of opposition was served on the applicant on 16 August 2005. The accompanying letter advised the parties that a period expiring on 16 November 2005 was allowed either for the applicant to file a Form TM8 and counter-statement if it wished to continue with the application or for either party to file a Form TM9c to request to enter a cooling off period which would allow the parties the opportunity to negotiate a possible settlement.

4. A Form TM9c requesting to enter a cooling off period was filed on 16 November 2005. By way of a letter dated 22 November 2005, the parties were advised that the request had been granted. It went on to advise that the period would expire on 16 August 2006, that it could not be further extended and that if no Form TM8 and counter-statement were filed by this date, the application for registration would be deemed withdrawn in accordance with Rule 13A(1) of the Trade Marks Rules 2000 (as amended).

5. Nothing further was received from either party within the relevant period and thus, in a letter dated 26 September 2006, the registrar advised the parties that as no Form TM8 and counter-statement had been filed within the period allowed, the application for registration was to be deemed withdrawn. A period expiring on 10 October 2006 was allowed for the receipt of written comments.

6. The applicant replied by way of a letter dated 28 September 2006. The letter, written by the company director Mr Lomer, essentially confirmed the importance of the trade marks to the applicant, a small company which had been under some financial difficulties. He explained that the person dealing with the application had left the firm and had not informed him of the position regarding the trade mark application. Furthermore, no reminders or warnings regarding the deadline had been received. He asked for the period for filing the Form TM8 and counter-statement to be extended to allow the filing of the necessary documentation. The registrar sent a letter dated 19 October 2006 drawing the applicant's attention to the fact that no extension of the period was allowed and that the application for registration must be deemed withdrawn. The applicant was reminded of its right to be heard.

7. The applicant subsequently requested to be heard and a hearing took place before me by videolink to the applicant's offices on 9 January 2007. The opponent had indicated that it would not attend or be represented at the hearing but did file a letter dated 20 December 2006 submitting its comments in lieu of attendance. Mr Lomer represented the applicant.

8. I gave my decision at the hearing and confirmed it later that day in writing. My letter to the parties stated:

“Having considered all the submissions made, including the written submissions filed in advance of the hearing, I gave my decision which is to uphold the registrar's preliminary view to deem the application as withdrawn. In giving my decision, I indicated that whilst I understood fully the situation in which the applicant found itself, the relevant provisions of the Trade Mark Rules are specific and preclude me extending the period so as to allow a TM8 to be filed. In the circumstances of this case, the registrar has no discretion. The application will be deemed withdrawn.”

9. On 5 February 2007, Mr Lomer, on behalf of the applicant, filed a Form TM5 seeking a written statement of the reasons for my decision. These I now give.

Opponent's submissions

10. As I indicated above, the opponent neither attended nor was represented at the hearing but did file written submissions in lieu of attendance. The letter, dated 20 December 2006, stated:

“The Opponent negotiated a settlement to the opposition proceedings with the Applicant which resulted in the parties entering into a Letter of Undertaking dated 11 November 2005. The Opponent thereafter made repeated requests to the Applicant for it to abide by the terms of the Letter of Undertaking and amend the specification of the services for UK Application No. 2379954 DATACOM and device. The Applicant did not make any such requests to the Trade Marks Registry to amend the specification.”

Applicant's submissions

11. The applicant filed a brief skeleton argument, the substance of which I reproduce in full:

- a. isdn datacom LTD has agreed in principle with representatives of Mastercard, but has been late in making the modifications largely due to reasons explained in c. below
- b. Today datacom will urgently try to lodge the agreed amendments (if the process can be understood in time)
- c. The enclosed letter details the mitigating circumstances centred around the cash flow that isdn datacom had experienced over the period”.

12. Attached to the skeleton argument was a copy of the applicant's letter to the registrar dated 28 September [2006]. The letter, reproduced as written, stated:

“ My heart sank when reading your letter of the 26th as I had no knowledge of the fact that we should be filling from TM8 and we had received no warning or reminder at all. The ownership of the mark is of extreme importance to us.

What had happened is that the person dealing with the case in 2005 had left without informing me of what was required and if I could repeat we had no other warning or reminder about a letter over a year old!

Also I would like to point the following mitigating circumstance, we had received a whole lot of letters from Field Fisher Waterhouse representing Mastercard, of course we understand this is Mastercard's legal right but at the same time in answering all their letters it makes a massive impact on the resource of a small company trying to make a profit. (I enclose our figures from SAGE so that you can see the financial struggle). The Mastercard challenge and losing money had put us really under the cosh.

We are a genuine British company employing around six people directly and many more externally, we had starting losing money in mid year and had to battle with all resource to turn the corner which we have achieved. Please understand that we have to battle with all hands to achieve this and examining piles of paper from a year before may easily get left behind.

We really need some help from the Patent Office and I am requesting that you support a genuine company with an extension for filling TM8 so that we do not write off this big investment in time and money.

I do hope we can get some help from the Patent Office.”

13. At the hearing, Mr Lomer acknowledged that procedures had not been followed correctly by his company. He stated that he disagreed with the position as set out by the opponent in its letter of 20 December 2006. He agreed that a letter of undertaking had been signed but said that the application of that letter was wrong.

14. Mr Lomer went on to explain that the agreement mentioned the amendment of the interlocking circles element of the mark to exclude the use of certain colours. Mr Lomer submitted that this was not what had been agreed. The parties, he said, had been in ongoing dialogue but the applicant felt that the opponent was trying to broaden the scope of the agreement and was still trying to move the goalposts. The applicant was not dragging its heels-it had tried to negotiate and was still seeking to continue those negotiations and as a result it had missed the date for filing the Form TM8 and counter-statement. Mr Lomer explained that the applicant was a small company employing six staff and that whilst it did not have a problem with the opponent it did not understand trade marks law fully.

15. Mr Lomer explained that sometime in 2005-2006, the lady who had been “looking after” the trade mark application had left the company. The applicant had then hit serious cash flow problems and had had to prioritise its business to avoid “going bust”. Mr Lomer admitted that the applicant could have paid more attention to the application but dealings with the Inland Revenue took precedence. He concluded by saying the application was still important to the company and it would want to make a further application if the current application was lost to it.

Decision

16. I set out the relevant rules below:

“13. (1) Any person may, within three months of the date on which the application was published, give notice to the registrar of opposition to the registration on Form TM7 which shall include a statement of the grounds of opposition.

(2).....

(3).....

(4).....

(5) The registrar shall send a copy of Form TM7 to the applicant and the date upon which this is done shall, for the purposes of rule 13A, be the “notification date”.

13A. (1) The applicant shall, within the relevant period, file a Form TM8, which shall include a counter-statement, otherwise his application for registration shall be deemed to be withdrawn.

(2) Unless either paragraph (3) or (4) applies, the relevant period shall begin on the notification date and end three months after that date.

(3) This paragraph applies where-

- (a) the applicant and the person opposing the registration agree to an extension of time for the filing of Form TM8;
- (b) within the period of three months beginning on the notification date, either party files Form TM9c requesting an extension of time for the filing of Form TM8; and
- (c) during the period beginning on the date Form TM9c was filed and ending twelve months after the notification date, no notice to continue on Form TM9t is filed by the person opposing the registration,

and where this paragraph applies the relevant period shall begin on the notification date and end twelve months after that date.

(4) This paragraph applies where-

- (a) a request for an extension of time for the filing of Form TM8 has been filed on Form TM9c; and
- (b) the person opposing the registration has filed a notice to continue on Form TM9t,

and where this paragraph applies the relevant period shall begin on the notification date and end one month after the date on which Form TM9t was filed or three months after the notification date, whichever is the later.

(5).....”

17. Also relevant is rule 68 which states:

“68.-(1) The time or periods-

- (a) prescribed by these Rules, other than the times or period 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 a time or period prescribed by these Rules –

- (a) is sought in respect of a time or periods prescribed by rules 13 to 13C, 18, 23, 25, 31, 31A, 32, 32A, 33, 33A 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), rule 13A(1) (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(3) (time for filing counter-statement and evidence of use or reasons for non-use), rule 32(3) (time for filing counter-statement), rule 33(6) (time for filing counter-statement), and rule 47 (time for filing opposition).

(4).....

(5).....

(6).....

(7).....”

18. The registrar sent a copy of Form TM7 to the applicant on 16 August 2005 and this became the notification date in line with the provisions of rule 13(5). The applicant was notified that it was required to file a Form TM8 and counter-statement within the relevant period if it wished to continue with its application. Alternatively, the parties could enter into a cooling off period by filing of a Form TM9c. The opponent filed a Form TM9c on 16 November 2005 with the written agreement of the applicant seeking to extend the period for filing the Form TM8 by entering into a cooling off period. No Form TM9t was filed by the opponent seeking to bring the cooling off period to a close. Therefore, under the provisions of rule 13A (1) and 13A(3), the relevant period within which the applicant was required to file a Form TM8 and counter-statement was twelve months after the notification date. By way of a letter dated 22 November 2005, the parties were advised that the applicant therefore had until 16 August 2006 to file the necessary documentation.

19. It is clear from the submissions made by both parties that negotiations took place during the cooling off period. Letters of undertaking appear to have been prepared but it seems from Mr Lomer’s submissions that the applicant was unhappy and final agreement was not reached. (see also paragraph 23 of this decision).

20. In its letter of 28 September 2006, the applicant had sought an extension of time for filing the Form TM8 and counter-statement. I note in passing that the request was not made on Form TM9 in accordance with rule 68(2)(b), however in the circumstances of this case, I do not consider it to be material. This is because whilst rule 13A(3) provides for an extension of the period for filing a Form TM8 and counter-statement by way of a cooling off period, the cooling off period is not open ended and, under the provisions of rule 68(3), cannot itself be extended.

21. Whatever may have been discussed between the parties, and whether or not agreement was reached, the parties had been advised that the cooling off period would expire on 16 August 2006 and that if the applicant did not file a Form TM8 and counter-statement by this date, the application would be deemed withdrawn in accordance with rule 13A(1). No Form TM8 and counter-statement were filed.

22. I therefore upheld the registrar's preliminary view to deem the application as withdrawn because of the failure of the applicant to file a Form TM8 and counter-statement. I made no award of costs in respect of the hearing or these proceedings.

23. For the benefit of any appellant tribunal there is one further matter I should mention. On 5 January 2007, i.e. shortly before the hearing, the applicant filed a Form TM21 by fax. The form indicated that the applicant was seeking to make four changes to the application. Not all of the changes related to matters within the registrar's purview. A member of registry staff contacted the applicant by telephone and spoke with Mr Lomer. A written note of that conversation indicates that Mr Lomer asked the staff member "not to action Form TM21 yet as he will speak to the opponent". On that basis, I confirm that no further action has been taken in respect of the form and it did not play any part in my decision.

Dated this 27th day of February 2007

Ann Corbett
For the Registrar
The Comptroller-General