

O/283/12

**IN THE MATTER OF AN APPLICATION BY THE  
EDGE INTERACTIVE MEDIA, INC  
FOR THE RECORDAL OF PARTIAL ASSIGNMENT  
OF TRADE MARK  
REGISTRATION NOS 2552136 AND 2552147**

1) This is an unusual case as it relates to a dispute before the Intellectual Property Office (IPO) in relation to the proposed assignment of trade marks. It is not unusual for the IPO to be involved in a dispute after assignment, where a party seeks rectification of the register.

2) In rule 77 of the Trade Marks Rules 2008 (the rules) proceedings are defined in the following terms:

—proceedings before the registrar” means any dispute between two or more parties relating to a matter before the registrar in connection with a trade mark.”

This decision relates to a dispute between a putative assignee and the registered proprietor of the trade marks and so must be considered to be proceedings before the registrar.

3) The dispute is between Future Publishing Limited (Future) and The Edge Interactive Media (EIM). Dr Timothy Langdell is the controlling mind of EIM and Edge Games Inc and represented EIM at a hearing by telephone conference which took place on 19 July 2012. Future was represented by Mr Jim Pearson of Abel & Imray.

4) Key to the issues before the Intellectual Property Office is the judgment of Proudman J of 13 June 2011 in *Future Publishing Limited v The Edge Interactive Media Inc, Edge Games Inc and Dr Timothy Langdell* [2011] EWHC 1489 (Ch) and the subsequent order of Proudman J of 7 July 2011. In the judgment, Proudman J set out the history of the relationship between the parties:

39. In October 1993 Dr Langdell issued proceedings against the claimant for passing off, alleging that he had unregistered rights in the mark EDGE. On 11<sup>th</sup> February 1994 Dr Langdell applied to register the trade mark EDGE in the class 16 (printed matter) category in respect of various items including gaming magazines. The action was stayed pending payment by Dr Langdell of security for costs but was then settled by an agreement dated 4<sup>th</sup> December 1996 ("the 1996 Agreement"). By that date, the claimant as well as EIM had applied to register the name EDGE in the class 16 (printed matter) category.

40. The thrust of the 1996 Agreement was that EIM would keep its registered mark and would be given the claimant's trade mark application in return for a royalty-free licence for the claimant to use the mark EDGE in relation to EDGE magazine in any form, electronic, on-line or otherwise. The claimant paid EIM the sum of £20,000. All rights and goodwill arising out of the mark EDGE were to vest in EIM. EIM was prohibited from publishing or licensing anyone else to publish a magazine substantially similar to EDGE magazine

under the name EDGE or any colourably similar mark. EIM was prohibited from claiming any association or connection with EDGE magazine or with the claimant, save that in response to an unsolicited request EIM could confirm that it had licensed the mark EDGE to the claimant in relation to EDGE magazine.

41. The claimant's case is that thereafter, as EDGE magazine's success grew, Dr Langdell's behaviour became increasingly burdensome. The claimant wanted to abrogate the licensing agreement and buy all necessary trade marks from the defendants.

42. Agreement was reached in 2004, both with EIM and with Dr Langdell. The result was a Concurrent Trading Agreement ("CTA") with EIM and a Deed with Dr Langdell. Each was paid a substantial sum of money in consideration of entering into the deeds, \$250,000 to EIM and \$25,000 to Dr Langdell, although the total sum was paid into Dr Langdell's bank account.

43. I should say at this juncture that Dr Langdell relied before me on Recital F to the 1996 Agreement, saying (although this was not pleaded) that it barred the claimant from bringing these present proceedings against EIM. Recital F provided (the emphasis is mine),

"EIM Softek and Future wish to settle the Proceedings and all actual and potential disputes between them relating to the publication by Future of EDGE Magazine upon the terms hereinafter appearing."

This contention is misconceived as it ignores the fact that the 1996 Agreement was expressly (see Recital 4 of the CTA) terminated and replaced by the CTA.

44. The primary effect of the CTA was to assign to the claimant those parts of the trade marks owned by EIM which included the word EDGE and which covered EDGE magazine. Because Class 16 includes not only magazines but also other printed matter such as posters, booklets and instruction manuals the agreements provided that EIM would assign to the claimant that part of each mark in Part 16 which covered:

"Printed matter and publications, namely magazines, newspapers, journals, columns and sections within such magazines, newspapers and journals, all in the field of business, entertainment and educations relating to computers, computer software, computer games, video games, hand-held games and other interactive media."

The Register of Trade Marks was duly amended accordingly, with a suffix "A" for EIM's marks and a suffix "B" for the claimant's marks.

45. The assignment included all rights in the agreed part of the trade marks,

"including all goodwill attaching to the use of the Agreed Part of the Trademarks in class 16 and all rights of action, powers and benefits arising from ownership of the Agreed Part..."

"Trademarks" was defined as including not only the registered marks but also "all unregistered trademark rights of EIM in those marks."

46. Under clause 2.1.2 of the CTA, EIM granted the claimant certain licensed rights, making it clear that EIM could not object to the claimant using the mark EDGE in relation to electronic publications. By Clause 2.9, the claimant undertook not to use the mark EDGE outside the publication of computer games magazines, their associated marketing and promotion and the uses covered by clause 2.1.2."

5) Dr Langdell's case rests on clause 2.8 of the CTA which states:

—Subject to Clauses 2.6 and 2.7, Future further undertakes that it shall not without prior written consent from EIM at any time on or after Completion register or apply to register in any country or otherwise use any trademark which is the same as or similar to the Trademarks (or any one of them) in respect of goods or services other than those detailed in the Assigned Rights or as permitted pursuant to clause 2.1.2. In the event that Future shall register or apply to register in any country any such trademark in breach of this Clause 2.8, Future shall forthwith and without prejudice to any other rights of EIM under this Agreement and Deed assign all right, title and interest in such trademark(s) in respect of those goods and services, to EIM (at EIM's reasonable cost) on the same terms as those set out in this Agreement and Deed, save that no fee shall be payable by EIM to Future in respect thereof. To guarantee compliance by Future with their obligations under this Clause 2.8, Future irrevocably appoints EIM, with further power to delegate its powers to any director or other duly authorised officer of EIM, to be their true and lawful attorney and to do and perform any acts and to execute any documents necessary or desirable in connection with this Clause 2.8 and Future hereby undertakes to ratify whatever EIM shall do or cause to be done under this power of attorney. Save however, Future shall be free of the restraints on it imposed by Clause 2.6, Clause 2.7 and this Clause 2.8 in the event that EIM should cease use of the mark and brand EDGE for a continuous period of five years or more or becomes insolvent or ceases trading."

6) Section 25(1) of the Trade Marks Act 1994 (the Act) states:

—25- (1) On application being made to the registrar by-

(a) a person claiming to be entitled to an interest in or under a registered trade mark by virtue of registrable transaction, or

(b) any other person claiming to be affected by such a transaction, the prescribed particulars of the transaction shall be entered in the register.

(2) The following are registrable transactions-

(a) an assignment of a registered trade mark or any right in it;”

Rule 49 states:

—49—(1) An application to register particulars of a transaction to which section 25 applies or to give notice to the registrar of particulars of a transaction to which section 27(3) applies shall be made—

(a) relating to an assignment or transaction other than a transaction referred to in subparagraphs (b) to (d) below, on Form TM16;

(b) relating to a grant of a licence, on Form TM50;

(c) relating to an amendment to, or termination of a licence, on Form TM51;

(d) relating to the grant, amendment or termination of any security interest, on Form TM24; and

(e) relating to the making by personal representatives of an assent or to an order of a court or other competent authority, on Form TM24.

(2) An application under paragraph (1) shall—

(a) where the transaction is an assignment, be signed by or on behalf of the parties to the assignment;

(b) where the transaction falls within sub-paragraphs (b), (c) or (d) of paragraph (1), be signed

by or on behalf of the grantor of the licence or security interest, or be accompanied by such documentary evidence as suffices to establish the transaction.

(3) Where an application to give notice to the registrar has been made of particulars relating to an application for registration of a trade mark, upon registration of the trade mark, the registrar shall enter those particulars in the register.”

Consequently, an assignment is a transaction and for an assignment to be recorded there has to have been a transaction ie an action.

7) On 5 July 2010 Future Publishing Limited filed applications to register the trade marks EDGE and



8) The applications were published for opposition purposes on 1 October 2010 and the registration procedures were completed on 25 November 2011 in respect of the following goods and services:

**Class 09:**

Downloadable electronic publications; downloadable electronic publications relating to on-computer, on-console and online gaming, computer games software, computer hardware and related accessories; printed publications in electronically readable form; printed publications in electronically readable form relating to on-computer, on-console and online gaming, computer games software, computer hardware and related accessories; recorded media containing pre-recorded electronic publications; recorded media containing pre-recorded electronic publications relating to on-computer, on-console and online gaming, computer games software, computer hardware and related accessories; computer console games; video game programs; computer games software, computer hardware; computer games software downloadable from the Internet; sound, music, image, video and game data files obtainable by stream access for computers, communications apparatus, and mobile telephones; software applications for use on games equipment or devices, mobile telephones, personal digital assistants (PDAs), or mobile computing devices; downloadable audio and video files; downloadable audio and video files featuring gaming-related content, computer games software, computer hardware and related accessories; parts, fitting and accessories in class 9 for the aforementioned goods.

**Class 16:**

Printed matter, printed publications and magazines all relating to on-computer, on-console and online gaming, computer games software, computer hardware and related accessories; printed matter; printed publications; magazines.

**Class 35:**

Advertising, promotional and marketing services for others; providing business and marketing information; computerised electronic on-line retail store services connected with the sale of on-computer, on-console and online gaming goods,

computer games software, computer hardware, and related accessories; business advice and information relating to on-line retail store services.

**Class 38:**

Telecommunications services; network transmission of sound, data or images; broadcasting services; audio and video broadcasting services over the Internet, audio and video broadcasting services via electronic communications networks; broadcasting of media, sound, data or images relating to on-computer, on-console and online gaming, computer games software, computer hardware and related accessories; broadcasting of audiovisual content via stream, download, or other means to wired or wireless devices; podcasting services; enhanced transmission of audio and/or visual content and transmission of really simple syndication (RSS) feeds via a global computer network or other electronic or digital communications network or device; transmission of audio and/or visual content and transmission of really simple syndication (RSS) feeds concerning on-computer, on-console and online gaming, computer games software, computer hardware and related accessories; providing on-line chat room services for transmission of messages among computer users; providing on-line chat room services for transmission of information concerning on-computer, on-console and online gaming, computer games software, computer hardware and related accessories; providing access to on-line electronic bulletin boards; providing access to on-line electronic bulletin boards for transmission of messages among computer users concerning on-computer, on-console and online gaming, computer games software, computer hardware and related accessories; providing Internet access to online blogs, discussion groups, chat rooms and electronic bulletin boards; providing access to an internet discussion website; transmission of news and information via the Internet; transmission of news and information via the Internet relating to on-computer, on-console and online gaming, computer games software, computer hardware and related accessories.

**Class 41:**

Organising, arranging and conducting shows, conferences, seminars, awards ceremonies and competitions all relating to on-computer, on-console and online gaming, computer games software, computer hardware and related accessories; entertainment services; information relating to entertainment, provided on-line from a computer database or the Internet; information relating to on-computer, on-console and online gaming, computer games software, computer hardware and related accessories, provided on-line from a computer database or the Internet; providing on-line electronic publications (non-downloadable); publication of magazines, books and journals on-line; publication of magazines; publication of printed matter relating to on-computer, on-console and online gaming, computer games software, computer hardware and related accessories; on-line gaming services; video game services;

electronic games services or on-line gaming services provided on-line from a computer database or the Internet; providing a website featuring an array of video gaming-themed merchandise, video recordings, video stream recordings, interactive video highlight selections, on-line computer games, video games, interactive video games, action skill games, trivia games, and video gaming news; streaming audio and video content relating to on-computer, on-console and online gaming, computer games software, computer hardware and related accessories; entertainment in the form of television programmes; production of television programmes and other audio-visual media; television entertainment services relating to on-computer, on-console and online gaming, computer games software, computer hardware and related accessories; production of television programmes relating to on-computer, on-console and online gaming, computer games software, computer hardware and related accessories; information and advisory services relating to the aforesaid services.

9) On 2 July 2010 solicitors acting for Future wrote to EIM. The letter included the following:

—~~For~~ the avoidance of doubt, we hereby put you on notice that your client's breaches of the CTA complained of in the Particulars of Claim amount to a repudiation thereof and with effect from today's date our client accepts that repudiation and treats the CTA as discharged."

10) On 7 February 2011 an email was received by the IPO from Dr Langdell in which he stated that EIM had filed oppositions to the registration of the trade marks on 26 November 2010. He attached copies of the forms TM7 which he had claimed that he had filed. (Forms TM7As, warning of an intention to oppose had been received by the IPO.) In relation to Community trade mark no 7178973 upon which EIM relied, he had written:

—~~Please~~ see the attached Statement of Grounds (this mark is contractually owned by The Edge Interactive Media Inc under agreement with Future Publishing Ltd – except for —~~Computer Games Magazines~~" in Class 16. Even though Future is shown as the owner of the CTM database, EIM is the true owner of most of the application as per the agreement between Future and EIM)."

11) There is no mention on the form TM7 or the statement of grounds of the assignment of the trade marks to EIM. In his e-mail Dr Langdell wrote:

—We remain very concerned that our oppositions be processed since we own the exact same mark for the same goods and have long standing registrations for these EDGE marks."



The IPO responded on 7 February 2011 requesting fax transmission records and proof of posting.

12) On 11 February 2011 the IPO wrote to Dr Langdell again requesting fax transmission records and proof of posting. No response was received to this request.

13) On 13 June 2011 Proudman J issued a judgment in *Future Publishing Limited v The Edge Interactive Media Inc, Edge Games Inc and Dr Timothy Langdell* [2011] EWHC 1489 (Ch). In this judgment she found:

-63. In deciding that the defendants' breaches were fundamental, I take into account the following matters. First, the breaches are of critically important terms of the CTA and the Deed. They are breaches of the terms regulating the ongoing obligations of the parties. Clause 2.4 of the CTA balances the restrictions on the claimant's use of the EDGE logo in areas in which EIM had no interest by protecting the claimant's independent goodwill in the area allocated to it. As Scrutton LJ said in **Gibaud v. Great Eastern Rly** [1921] 2 KB 426 at 435,

"If you undertake to do a thing in a certain way, or to keep a thing in a certain place, with certain condition protecting it, and have broken the contract by not doing the thing contracted for, or not keeping the article in the place where you have contracted to keep it, you cannot rely on the conditions which were only intended to protect you if you carried out the contract in the way in which you had contracted to do it."

I agree with the claimant that EIM cannot continue to claim the benefit of the CTA while at the same time refusing to comply with its own obligations not to damage the claimant's goodwill. Where, as here, the parties have agreed terms which are to apply to both sides, the defendants' continuing refusal to comply with their side of the bargain is inconsistent with a right to insist on the contract continuing in force. Dr Langdell on behalf of the defendants has made it quite clear before and during this trial that they intend to continue to use their versions of the EDGE logo.

67. Termination of a contract by acceptance of repudiation can be effected notwithstanding the prior acquisition of rights unconditionally acquired. Accordingly the assignment to the claimant of goodwill and registered trade mark rights in the name EDGE and the payments to EIM and Dr Langdell of consideration under the agreements do not prevent termination. Each side is entitled to retain those benefits: see *Chitty on Contracts* (30<sup>th</sup> Edition) at 24-051 and cases therein cited.

69. However this was a case in which the breaches were persisted in by the defendants. In those circumstances the fact that the claimant continued to press for performance should not preclude it from treating itself as discharged from its obligations under the contract. The claimant is not discharging on account of the original repudiation and trying to go back on an election to affirm. It is instead treating the contract as being at an end on account of the continuing repudiation reflected in the other party's behaviour: see *Chitty* (above) at 24-004 and cases therein cited.

70. I therefore find that the claimant has accepted the defendants' repudiatory breaches and validly terminated the CTA."

14) On 7 July 2011 Proudman J issued an order in relation to the dispute between Future and Dr Langdell. In this order she held, inter alia:

—6It is hereby declared that the Concurrent Trading Agreement (as defined in Annex 1 hereto) terminated with effect from 20 August 2010."

—7The Claimant [Future] has permission to bring proceedings against the Third Defendant [Dr Langdell] for contempt of court by reason of the Third Defendant's false statements in his witness statements dated 17 September 2010 and 29 November 2010."

—13The Defendants' applications for a stay of execution of judgment, permission to bring proceedings for contempt of court and permission to appeal the judgment of 13 June and this Order are dismissed."

15) On 12 December 2011 the IPO received a letter from Dr Langdell. In this letter he wrote that he has sent proof of the timeous filing of the oppositions. In the letter he wrote:

—6However, as we mentioned in prior correspondence, the Applicant Future is barred from filing these two applications by the written contract they have with us that forbids them from doing so..... Since we shall be asking the UK High Court to order Future to withdraw the applications, should the IPO not be minded to reject the applications based on the contract then we ask that that the applications be STAYED pending the outcome of the UK High Court matter."

16) On 19 December 2011, Dr Langdell was advised by the IPO that the proof requested by the IPO had not been received. He was advised that the applications had been registered and that his only option was to seek their invalidation.

17) On 7 February 2012 Lewison LJ refused leave to appeal against the judgment of Proudman J. In his judgment Lewison LJ, at paragraph 7, stated:

—Second, in support of the claim that there had been genuine use, Dr Langdell placed doctored and forged emails before the court and then declined to cross-examine the witness who gave evidence to the effect that the emails had been doctored.”

In his order Lewison LJ ordered:

—The applications for a stay of execution and for permission to appeal be refused.”

18) On 7 March 2012 a form TM16 was received by the IPO seeking the assignment of the registrations to EIM in respect of all goods and services in classes 9, 35, 38 and 41 and part of the goods of class 16. The form was signed by Dr Langdell. In support of the assignments he attached a copy of the CTA (which had been repudiated). He also attached a letter in which he stated:

—This assignment is filed in accord with clause 2.8 of the 2004 Agreement between Future and ourselves.”

In the letter there is no reference to a deed of assignment.

19) On 22 March 2012 the IPO wrote to Future to ask for its comments on the proposed assignments.

20) On 27 March 2012 Future advised that a copy of the application for assignment had not been received from EIM.

21) On 29 March 2012 Future wrote to the IPO in which it referred to the repudiation of the CTA. It denied that EIM or Dr Langdell had the power to assign its trade marks.

22) In a letter dated 4 April 2012 Dr Langdell claimed that EIM possesses an irrevocable power of attorney granted to it by Future in July 2010 (sic). Dr Langdell based this claim on his interpretation of clause 2.8 of the CTA. Dr Langdell wrote that the appeal process in relation to the judgment of Proudman J had not been exhausted as EIM was in the process of filing a rule 52.17 (of the Civil Procedure Rules) application to reopen the proceedings.

23) In a letter of 27 April 2012 Dr Langdell wrote:

—But that is moot in this instance since Edge Interactive became the legal owners of the instant Trademark Applications Nos 2552136 and 2552147 in July 2010, a month before the date of the High Court Order states the Agreement is to terminate in August 2010.”

Attached to the letter was a deed of assignment bearing the date of 30 July 2010. The deed of assignment has been signed by Dr Langdell as assignee and assignor. The basis of his position as assignor is paragraph 2.8 of the CTA.

24) On 17 July 2012 Dr Langdell attached to his skeleton argument for the hearing a copy of a letter that he states was sent to Future Publishing Limited . The letter bears the date of 30 July 2010. The letter states that Dr Langdell is invoking 2.8 of the CTA to assign the applications to EIM for all goods other than printed game magazines in class 16. The rear of the letter bears a certificate of mailing created and signed by a Cheri Langdell; it claims that the letter was sent to Future. Future denies receiving any such letter. Dr Langdell also attached an affidavit signed on 16 July 2012. In the affidavit he states that on 30 July 2010 he ~~invoked~~ invoked the irrevocable power of attorney granted to Assignee to execute any document necessary to cure Future's breach of Clause 2.8. Accordingly on July 30, 2010 I signed the DEED OF TRADEMARK ASSIGNMENT (~~the~~ Assignment") exhibited hereto, executing the document on behalf of the Assignee as its CEO, and also on behalf of Future under the power of attorney granted to me by Clause 2.8 of the Contract." The deed of assignment is not attached. However, he does attach a deed of assignment that he effected on 17 July 2012; in which he is assignee and assignor again. Future denies receiving the letter that Dr Langdell states was sent to it on 30 July 2010.

*The effect of the order of Proudman J*

25) Dr Langdell has argued that the order of Proudman J cannot be put into effect as he intends to make an application for leave to appeal under rule 52.17 of the Civil Procedure Rules (CPR):

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- (1) The Court of Appeal or the High Court will not reopen a final determination of any appeal unless –
    - (a) it is necessary to do so in order to avoid real injustice;
    - (b) the circumstances are exceptional and make it appropriate to reopen the appeal; and
    - (c) there is no alternative effective remedy.
  - (2) In paragraphs (1), (3), (4) and (6), ~~—~~“~~an~~ appeal” includes an application for permission to appeal.
  - (3) This rule does not apply to appeals to a county court.
  - (4) Permission is needed to make an application under this rule to reopen a final determination of an appeal even in cases where under rule 52.3(1) permission was not needed for the original appeal.

- (5) There is no right to an oral hearing of an application for permission unless, exceptionally, the judge so directs.
- (6) The judge will not grant permission without directing the application to be served on the other party to the original appeal and giving him an opportunity to make representations.
- (7) There is no right of appeal or review from the decision of the judge on the application for permission, which is final.
- (8) The procedure for making an application for permission is set out in the practice direction.

26) Rule 52.7 of the CPR states:

52.7

Unless –

- (a) the appeal court or the lower court orders otherwise; or
- (b) the appeal is from the Immigration Appeal Tribunal,

an appeal shall not operate as a stay of any order or decision of the lower court.

27) The orders of Proudman J and Lewison LJ specifically refused request for a stay. Consequently, Dr Langdell's intention of seeking leave to appeal under rule 52.17 does not have the effect of staying the order of Proudman J. Dr Langdell also made reference to paragraphs 3 to 5 of the order of Proudman J. These relate to the revocation of trade marks owned by EIM and so are not pertinent to these proceedings.

*The deed of assignment of 30 July 2010*

28) In his skeleton argument Dr Langdell refers to EIM threatening oppositions to Future's applications. He claims that EIM filed threats to oppose but was advised by trade mark counsel that it should let the oppositions "drop" and then file an assignment with the IPO. It is difficult to square this with Dr Langdell's claims to the IPO that he had filed oppositions and his requests to know what had happened to these oppositions. On 12 December 2011 Dr Langdell was still claiming that he had filed timely oppositions, there had been no reference to the assignment of the trade marks. The first reference to an assignment was on 7 March 2012, a month after Lewison LJ had refused leave to appeal. In his correspondence with the IPO Dr Langdell attached a copy of the CTA but made no reference to the repudiation of the CTA.

29) Prior to 27 April 2012, Dr Langdell had made no reference to a deed of assignment. No deed of assignment was attached to form TM16.

30) In his correspondence with the IPO Dr Langdell made it clear that he wanted to oppose the registrations of the trade marks. He claimed that he had opposed the registrations. It is difficult to understand, whatever the claims of Dr Langdell, why EIM would oppose trade marks which it already owned. If there was a deed of assignment it would have been a far simpler matter to file it with the appropriate form. The reasonable inference is that, at the time that Dr Langdell was communicating with the IPO re the alleged oppositions, the trade marks had not been the subject of assignment.

31) Taking into account the chronology of events and the findings of the courts in relation to false statements in Dr Langdell's witness statements dated 17 September 2010 and 29 November 2010 and doctored and forged emails, it is found that no deed of assignment was effected by Dr Langdell on 30 July 2010. No proof of posting from a postal service was supplied with the latter dated 30 July 2010. It is noted that when the IPO requested proof of postage and fax transmission re the claimed oppositions, this was not supplied. The letter of 30 July 2010 has appeared like a rabbit out of a hat. It is also found that the letter with the date of 30 July 2010 was not created on that date. It is found that as of the date of the repudiation of the agreement, 20 August 2010, no assignment had been executed.

*Effective date of repudiation*

32) Mr Pearson argued that the date of repudiation was 2 July 2010, the date that the solicitors for Future wrote to EIM claiming that it had repudiated the agreement. Proudman J clearly stated in her order when the CTA ceased to have effect:

—Its hereby declared that the Concurrent Trading Agreement (as defined in Annex 1 hereto) terminated with effect from 20 August 2010.”

*Application of clause 2.8 of the CTA*

33) It is not in dispute that the goods and services of the registrations fall outwith the assigned rights of the CTA. At the time of the filing of the applications for registration the CTA was still in effect. Clause 2.8 does not automatically assign trade marks, it gives the power to assign rights. There has to be an actual assignment. For there to be an assignment there has to be a transaction, an action; the right to effect an action cannot be conflated with the actual exercise of a right. Dr Langdell argues that the termination of the CTA does not affect the power of attorney as it is irrevocable. In support of this he relies upon section 4 of the Powers of Attorney Act 1971:

**~~Powers of attorney given as security.~~**

(1) Where a power of attorney is expressed to be irrevocable and is given to secure—

(a) a proprietary interest of the donee of the power; or

(b) the performance of an obligation owed to the donee,

then, so long as the donee has that interest or the obligation remains undischarged, the power shall not be revoked—

(i) by the donor without the consent of the donee; or

(ii) by the death, incapacity or bankruptcy of the donor or, if the donor is a body corporate, by its winding up or dissolution.

(2) A power of attorney given to secure a proprietary interest may be given to the person entitled to the interest and persons deriving title under him to that interest, and those persons shall be duly constituted donees of the power for all purposes of the power but without prejudice to any right to appoint substitutes given by the power.

(3) This section applies to powers of attorney whenever created.”

34) The power of attorney is only effective —~~as long as the donee has that interest or the obligation remains undischarged, the power shall not be revoked”~~. With the termination of the agreement the donee, ie EIM, no longer had the requisite interest; it no longer had any interest. Equally, Future no longer owed it any obligation. Consequently, as of 20 August 2010 EIM no longer had a power of attorney, it was revoked by the termination of the agreement.

35) Outwith the specific terms of Powers of Attorney Act 1971, the termination of the CTA was total. The order of Proudman J did not allow for part of it to have effect. The interpretation that Dr Langdell gives to the power of attorney would mean that despite the termination of the agreement, part of the agreement is still in force; this is inimical. The termination of the agreement terminates it in its entirety.

36) Consequently, when EIM effected its second deed of assignment it did not have power of attorney and so the second deed of assignment has no validity.

*Conclusion*

37) Dr Langdell raised issues of estoppel and the continuance of the rights that EIM had up to the date of the termination of the agreement. However, the matter is simple. Did EIM between the 5 July 2010 and 19 August 2010 assign the trade marks of Future to itself? The answer is no, no credence is given to the purported

deed of assignment. From 20 August 2010 does EIM continue to have the power of attorney as per clause 2.8 of the CTA? The answer is no. **Consequently, the application for the assignment of the trade marks is refused.**

**Dated the 25<sup>th</sup> of July 2012**

**David Landau**

**For the Registrar**

**the Comptroller-General**