

TRADE MARKS ACT 1994

IN THE MATTER OF:

APPLICATION No. 83958

IN THE NAME OF SEA NYMPH GALWAY BAY MARINE LIMITED

FOR A DECLARATION OF INVALIDITY OF TRADE MARK REGISTRATION No. 2524911

IN THE NAME OF CHAINGREEN LIMITED

DECISION

Introduction

1. This is an appeal from the decision of Mr G W Salthouse, acting for the Registrar, dated 25 January 2013 (O-041-13), in which he dismissed the application for invalidity of the mark **SEA NYMPH**.
2. At the hearing of the appeal Mr Stephen Casburn (a director of the Applicant company) appeared on behalf of the Applicant (**'SEA'**) assisted by Mr David Casburn; and Mr Harish Sharma (a director of the Registered Proprietor company) appeared on behalf of the Registered Proprietor (**'Chaingreen'**) assisted by Mr Vinod Pankhania.

Background

3. By an application dated 10 January 2011 SEA applied for a declaration of invalidity of Registered Trade Marks No. 2524911 for the mark SEA NYMPH in Class 1 on the basis of Section 3(6), Section 5(1) and Section 5(3) of the Trade Marks Act 1994. On 16 May 2011 Chaingreen filed a Counterstatement.
4. Both sides filed evidence. The evidence on behalf of SEA was in the form of an affidavit of Stephen Casburn dated 8 August with 7 exhibits and a second affidavit of Stephen Casburn dated 19 October 2011 with further attachments. The evidence filed on behalf of Chaingreen was in the form of an affidavit of Harish Sharma and Vinod

Pankhania dated 4 January 2012 with 5 attachments. No evidence in reply was served on behalf of SEA.

5. By letter dated 18 June 2012 the parties were informed by the UK IPO that the evidence rounds were now complete. The letter went on to inform the parties that either party had the right to a request a hearing under Rule 63(1) of the Trade Marks Rules 2008; and that any request for cross-examination must be made at the same time as a party requested a hearing. A deadline of 2 July 2012 was given for the request for a hearing to be made.
6. At 8.42 am on Friday 6 July 2012 the UK IPO provided SEA by email with a copy of the letter dated 18 June 2012. In an email timed at 21:46 on Sunday 8 July 2012 Mr Stephen Casburn on behalf of SEA sent an email acknowledging receipt and attaching a copy of a letter in response by SEA (which was also sent by post). In his covering email Mr Stephen Casburn requested that the UK IPO send future correspondence by email as well as by post as the delay in post arriving in Ireland was such as to *'seriously hamper our reaction times to all correspondence received from the IPO'*.
7. In the letter attached to the email and also dated 8 July 2012 Mr Stephen Casburn on behalf of SEA requested:
 - (1) An extension of time of the deadline of 2 July 2012 contained in the letter of 18 June 2012 due to the late receipt of that letter;
 - (2) A hearing of the application for invalidity in Newport; and
 - (3) Permission to cross-examine Mr Harish Sharma and Mr Vinod Pankhania.
8. By letter dated 2 August 2012 it was indicated that the preliminary view of the Registrar was to allow cross-examination of examine Mr Harish Sharma and Mr Vinod Pankhania.
9. The application came on for the substantive hearing before the Hearing Officer on 17 October 2012. At that hearing SEA was represented by Mr Stephen Casburn and Chaingreen was represented by Mr Harish Sharma. Both individuals not only made submissions on behalf of their respective companies but also gave evidence before the Hearing Officer. That is to say Mr Stephen Casburn was cross-examined by Mr

Harish Sharma and Mr Harish Sharma was cross-examined by Mr Stephen Casburn. In addition Mr Stephen Casburn cross-examined Mr Vinod Pankhania.

10. One of the central factual disputes of relevance to the application for invalidity was the issue of when and by whom the first use of the mark SEA NYMPH in relation to ‘*seaweed fertiliser products*’ within the United Kingdom had taken place.
11. During the hearing before the Hearing Officer Mr Stephen Casburn of SEA indicated, in the course of giving his oral evidence, that he now had documentary evidence in the form of invoices that his father, Mr Philip Casburn, was using the mark SEA NYMPH on seaweed fertiliser products in the United Kingdom prior to the first use relied upon by Chaingreen.
12. Quite understandably, given the situation before him and having heard submissions on behalf of Chaingreen, the Hearing Officer gave directions to the following effect:
 - (1) That on or before 26 October 2012 SEA provide a witness statement exhibiting the invoices that demonstrated the use of the mark SEA NYMPH on seaweed fertiliser products in the United Kingdom prior to the first use relied upon by Chaingreen referred to by Mr Stephen Casburn in his oral testimony; and
 - (2) That on or before 29 November 2012 Chaingreen have permission to file evidence and/or submissions strictly in reply to the documentation served on behalf of SEA.
13. These were directions which the Hearing Officer was fully entitled to make under the powers given to him under Rules 62(1)(a), 62(2) and 62(3) of the Trade Mark Rules 2008.

Steps taken after the hearing but before the Hearing Officer’s Decision

14. Pursuant to the direction SEA filed a 35 document being the third affidavit of Stephen Casburn dated 23 October 2012 (2 pages); together with attachments containing a number of documents said to demonstrate the use of the mark SEA NYMPH on seaweed fertiliser products in the United Kingdom prior to the first use relied upon by Chaingreen (33 pages).
15. Subsequently Chaingreen filed 2 documents both dated 29 October 2012. Neither of those documents carried page numbers.

16. The first document was 2 pages long plus a cover sheet and stated at the beginning *'We acknowledge receipt of correspondence from [SEA] and having examined the documents we comment as follows'*. Thereafter various comments/submissions were made with respect to the documentary evidence served by SEA. The document was signed by Mr Harish Sharma. This document clearly complied with the direction given by the Hearing Officer noted in paragraph 12(2) above.
17. The second document was headed **'Witness Statement of Harish Sharma'**. The witness statement was 2 pages long and was again signed by Mr Harish Sharma. In his statement Mr Sharma gave evidence as to the use by *'My company'* of the mark SEA NYMPH in the United Kingdom with the exception of Northern Ireland. The witness statement had 4 attachments (33 pages) containing copies of invoices and customer' remittance advice notes from different regions of the United Kingdom which were said to demonstrate use by Mr Harish Sharma's company of the mark SEA NYMPH in the United Kingdom upon which Chaingreen wished to rely.
18. It is my view that the witness statement of Harish Sharma dated 29 October 2012 and the documents contained in the attachments were not within the scope of the direction given for the filing of further evidence by the Hearing Officer in the course of the substantive hearing. It was therefore not evidence within the scope of the direction given by the Hearing Officer noted in paragraph 12(2) above.
19. However, under Rule 42(5) of the Trade Marks Rules 2008 the *'Registrar may, at any time give leave to either party to file evidence upon such terms as the registrar thinks fit'*. It would therefore appear to me that the Hearing Officer must be taken to have treated the provision of the witness statement of Harish Sharma dated 29 October 2012 and the documents contained in the attachments as an application by Chaingreen for permission to file further evidence; and that it must have been on the basis of the power under Rule 42(5) that the Hearing Officer decided to allow the evidence to be admitted to the proceedings. Regrettably, the Hearing Officer made this decision without any reference to SEA. In addition, no directions were given by the Hearing Officer that would have provided SEA with an opportunity to respond to such evidence.

The Hearing Officer's Decision

20. In his Decision dated 25 January 2013 the Hearing Officer rejected the application for invalidity under Section 3(6) (paragraph [36]); Section 5(1) (paragraph [40]); and Section 5(3) of the Trade Marks Act 1994 (paragraph [43]).
21. For the purposes of the present appeal the relevant parts of the Hearing Officer's Decision are to be found in paragraphs [18] and [32].
22. In paragraph [18] of the Decision the Hearing Officer set out the Additional Evidence filed on behalf of Chaingreen. The Hearing Officer identified the Additional Evidence as the witness statement dated 29 October by Mr Harish Sharma, Mr Sharma's comments on the evidence filed by SEA and the invoices contained in the attachments to the witness statement.
23. In paragraph [32] of his Decision the Hearing Officer specifically relied upon the evidence contained in the witness statement of Mr Harish Sharma dated 29 October 2013 and the invoices that attached to that statement '*which includes invoices showing SAMAA International selling seaweed products into the UK under the [SEA NYMPH] brand between 1999 and 5 May 2000 (i.e. after SAMAA Galway Bay Marine Limited started trading)*' in reaching his Decision under Section 3(6) of the Trade Marks Act 1994.

Events after the Circulation of the Hearing Officer's Decision

24. Although the Decision is dated 25 January 2013 it would appear that SEA only received a copy by post on Tuesday 5 February 2012.
25. On the morning of the following day, 6 February 2013, Mr Stephen Casburn on behalf of SEA contacted the UK IPO by telephone in order to inform them that he had only just received the Decision and to raise a number of concerns. Mr Casburn was requested to put his concerns in writing which he did in an email later that day.
26. In his email timed at 22:27 on 6 February 2013 Mr Casburn raised a number of issues and in particular stated with reference to paragraph [18] of the Decision:

My issue is with the section i [sic] have highlighted in Blue as the documents mentioned by Mr Salhouse and which seem to

carry allot [sic] of weight in favour of Chaingreen were not copied to [SEA] in accordance with Rule 64(6) and we only received the 3 page document attached dated 29th of October 2012.

The attached document to Mr Casburn's email was the first document dated 29 October 2012 which commented upon the evidence filed on behalf of SEA dated 23 October 2012. The section highlighted in Blue from paragraph [18] of the Decision was:

He also provides invoices which show Chaingreen Ltd have used the mark SEA NYMPH in the UK on Seaweed products since 12 February 2005. He also provides invoices from Samaa International Limited showing use of the mark SEA NYMPH in the UK on seaweed products between 29 January 1999 and 5 May 2000.

27. It appears to me from the content of this email, and confirmed by the immediacy with which the issue was raised with the UK IPO, that prior to receiving the Hearing Officer's Decision on 5 February 2013 SEA had been entirely unaware of the witness statement of Harish Sharma dated 29 October 2012 and the documents contained in the attachments to that statement.
28. In his email Mr Casburn also made a request for an extension of time '*of a couple of weeks to allow us to compile the evidence we need for our appeal*' and reminded the UK IPO of his request of 8 July 2012 that due to the delays in the postal service in Ireland that SEA be notified by email as well as by post.
29. In an email, timed at 14:33 on 12 February 2013, SEA was informed by the UK IPO that its application for an extension of time to file a TM55 had been refused.

The Grounds of Appeal and the Respondent's Notice

30. On 15 February 2013 SEA filed a TM55 together with a 29 page document which was provided by Mr Stephen Casburn under oath. The 29 page document contained:
 - (1) Grounds of Appeal/Submissions;
 - (2) A number of documents including copies of invoices, labels and a number of documents for different time periods titled "Sales by Customer Summary"; and

- (3) A witness statement of Paul Mullins of Brandon Products Limited dated 15 February 2013.

The majority of the documents and the witness statement included with the TM55 had not been in evidence before the Hearing Officer.

31. The thrust of the appeal by SEA was to:

- (1) Criticise the Hearing Officer's factual findings and conclusions relating to the ground of invalidity under Section 3(6) of the Trade Marks Act 1994;
- (2) Seek permission to adduce evidence on the appeal which had not been put before the Hearing Officer in particular in relation to the use by SEA of the mark SEA NYMPH in the United Kingdom; and
- (3) Complain of a procedural irregularity relating to the admission of additional evidence to the proceedings without SEA being aware that such evidence had been filed and/or admitted to the proceedings. That irregularity was identified in the Grounds of Appeal as follows:

My issue is with the documents mentioned by Mr Salthouse and which seem to carry allot [sic] of weight in favor [sic] of Chaingreen were not copied to Sea Nymph Galway Marine Ltd in accordance with Rule 64(6) and we only received the 3 page document dated the 29th October 2012.

Needless to say we were not aware of any documents being omitted by Chaingreen in their correspondence dated the 29th of October 2012.

Unfortunately this matter raises another issue with regards to our company being properly allowed to preparing [sic] our Appeal.

32. On 26th March 2013 Chaingreen provided a response in a letter headed '**Respondents Notice of Harish Sharma**'. In that letter Chaingreen provided its response (under a statement of truth) to the 29 page document accompanying the TM55 and requested that the Registrar's decision be upheld in its entirety including on the basis of certain specified additional reasons.

Appeal

33. Both parties maintained their respective positions in the course of their oral submissions at the hearing of the Appeal. Mr Harish Sharma on behalf of Chaingreen additionally invited me to consider further material that he had brought to the hearing which I declined to do.

34. It appears to me that this is a case in which serious procedural irregularities have occurred.

35. Rule 64(6) of the Trade Mark Rules 2008 states:

Under these Rules, evidence shall only be considered filed when –

- (a) it has been received by the registrar; and
- (b) it has been sent to all other parties in the proceedings.

36. This rule is expressed in imperative terms. It is clear that the purpose of the rule is to ensure that evidence is not considered by the Registrar unless it has been provided to all the parties. The opportunity for all of the parties to consider, make submissions and/or to take any other steps on the basis of all of the evidence that is to be before the tribunal or decision taker is basic to the principles of natural justice as they apply with added force of Article 6 of the European Convention on Human Rights.

37. For the reasons set out above it is apparent that the witness statement of Harish Sharma dated 29 October 2012 and the documents contained in the attachments were not and have not been provided to SEA. In the circumstances, SEA is entirely correct to say, as it does in its Grounds of Appeal, that there has been a breach of Rule 64(6) of the Trade Mark Rules 2008 and the witness statement of Harish Sharma dated 29 October 2012 and the documents contained in the attachments cannot properly be considered as filed.

38. I am further of the view that this breach was compounded by a breach of Rule 63 of the Trade Mark Rules 2008. Rule 63 provides as follows:

63.—(1) Without prejudice to any provisions of the Act or these Rules requiring the registrar to hear any party to proceedings under the Act or these Rules, or to give such party an opportunity to be heard, the registrar shall, before taking any

decision on any matter under the Act or these Rules which is or may be adverse to any party to any proceedings, give that party an opportunity to be heard.

(2)The registrar shall give that party at least fourteen days' notice, beginning on the date on which notice is sent, of the time when the party may be heard unless the party consents to shorter notice.

39. This rule is also expressed in imperative terms. It is clear that the purpose of the rule is to ensure that the Registrar does not take a decision without having given any party who is or may be adversely affected by it a proper opportunity to be heard in relation to the subject matter of the decision.
40. There can be cases where it is demonstrable that the process by which a decision has been taken was good enough even if involved a breach of procedure. If so, the breach of procedure may be regarded as immaterial, both in the context of proceedings by way of judicial review and in the context of proceedings by way of appeal.
41. It is clear that the denial of a right to be heard will not readily be regarded as an immaterial breach of procedure. The opportunity to put one's case to a tribunal or decision taker who is expected to be reasonably receptive to argument is basic to the principles of natural justice as they apply with added force of Article 6 of the European Convention on Human Rights.
42. As I have stated above, in my view the witness statement of Harish Sharma dated 29 October 2012 and the documents contained in the attachments were not within the scope of the direction given for the filing of further evidence by the Hearing Officer in the course of the substantive hearing.
43. Such evidence could therefore only be admitted under Rule 42(5) of the Trade Marks Rules 2008. Regrettably the Hearing Officer appears to have made the decision to admit the evidence without providing SEA with any opportunity to be heard as he is required to do under Rule 63 of the Trade Mark Rules 2008.
44. The failure to provide SEA with such an opportunity to be heard compounded the breach of Rule 64(6) of the Trade Mark Rules 2008. Had SEA been provided with such an opportunity it would have been apparent that SEA had not been sent the

witness statement of Harish Sharma dated 29 October 2012 and the documents contained in the attachments.

45. In those circumstances, it would have been possible for SEA to have been provided with both the evidence and an opportunity, which it has in effect sought by means of the present appeal, to make submissions as to whether, and if so on what terms, the evidence should have been admitted to the proceedings.
46. Further, in the present case it is apparent on the face of the Hearing Officer's Decision that the breaches of the procedural rules have been material. In paragraph [32] of his Decision the Hearing Officer expressly identifies and relies upon the witness statement of Harish Sharma dated 29 October 2012 and the documents contained in the attachments in making his findings under Section 3(6) of the Trade Marks Act 1994.

Conclusion

47. For the reasons I have given the appeal is allowed and the Hearing Officer's Decision and order as to costs are set aside.
48. I should make it clear that it would not be right for me to say anything about the merits of the Decision that I have ordered to be set aside. To make any observations would only compound the breaches of procedure that I have identified above and accordingly I have not done so.
49. The application for a declaration of invalidity is remitted to the Registry for further consideration and further directions as to how it should proceed, by a different Hearing Officer, in accordance with the provisions of the Trade Marks Act 1994 and the Rules.
50. I further direct that SEA be provided by the UK IPO within 14 days of this Decision a copy of the Witness Statement of Harish Sharma dated 29 October 2012 together with Attachments 1 to 4 being copies of invoices and customer' remittance advice notes.

Costs

51. The costs of the proceedings to date (including the costs of this appeal) are reserved to the Registrar upon the basis that the question of how and by whom they are to be borne and paid will be determined at the conclusion of the opposition in accordance with the usual practice.

Emma Himsworth Q.C.

25 November 2013

The Applicant was represented by Mr Casburn

The Registered Proprietor was represented by Mr Sharma

The Registrar was not represented at the hearing and took no part in the Appeal