

**O/584/20**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF  
TRADE MARK APPLICATION NO. 3305037  
BY PUBLIC INVESTMENT FUND  
TO REGISTER AS A TRADE MARK:**

**NEOM**

**IN CLASSES 35, 36, 37, 39, 42, 44 & 45**

**AND**

**THE LATE FILING OF FORM TM8 AND COUNTERSTATEMENT  
FILED IN DEFENCE OF THAT APPLICATION  
IN OPPOSITION PROCEEDINGS UNDER NO. 414594  
BY NEOM LIMITED**

## **BACKGROUND**

1. On 19 April 2018, Public Investment Fund (“the applicant”) applied to register the trade mark **NEOM**, under number 3305037 (“the application”). The application claims a priority filing date of 24 October 2017 from the United States Patent and Trademark Office, under filing number 87/657506. The application was accepted and published in the Trade Marks Journal on 7 September 2018 in respect of a range of services in classes 35, 36, 37, 39, 42, 44 and 45.

2. On 6 November 2018, James Love Legal Limited (“JLL”) filed a Form TM7A (Notice of threatened opposition) on behalf of Neom Limited (“the opponent”), the effect of which was to extend the opposition period until 7 December 2018. On 5 December 2018, JLL filed a Form TM7 (Notice of opposition and statement of grounds) on behalf of the opponent.

3. The opposition is brought under sections 5(1), 5(2)(a), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”) and is directed against all the services of the application. In relation to its 5(1), 5(2)(a) and 5(3) claims, the opponent relies upon its European Union trade mark number 15499916, **NEOM** (“the 916 mark”). The 916 mark was filed on 2 June 2016 and was entered into the register on 15 February 2018 for a range of goods and services in classes 5, 11, 35 and 44. Under section 5(3), the opponent also relies upon its European Union trade mark number 10815439, **NEOM** (“the 439 mark”). The 439 mark was filed on 17 April 2012 and was entered into the register on 9 November 2012 for goods in classes 3 and 4. As for its claim under section 5(4)(a), the opponent relies upon its alleged earlier right in the sign **NEOM**. The opponent claims to have used the sign throughout the UK since 2004.

4. Subsequent to a number of amendments by the opponent, the Tribunal served the Form TM7 on the recorded representative of the applicant, Marks & Clerk LLP (“MC”), by email on 11 February 2019. In accordance with Rules 18(1) and 18(3) of the Trade Marks Rules 2008 (“the Rules”), the applicant was informed that it had two months from the date of the letter in which to file its Form TM8 and counterstatement. The applicant was also informed that, in the alternative, if both parties agreed to enter into a cooling off period then a Form TM9C should be filed. The date for the filing of Form

TM8 or TM9C was given as 11 April 2019. In addition, the consequences of failing to file a Form TM8 or TM9C were outlined. The pertinent paragraphs of the letter are as follows:

“Please find enclosed a copy of the notice of opposition - Form TM7 - filed against your application.

If you wish to continue with your application, you need to file a notice of defence and counterstatement by completing Form TM8 - please note the important deadline below [...]

Rule 18(1) and 18(3) of the Trade Marks Rules 2008 require that you must file your notice of defence and counterstatement (Form TM8) within **two months** from the date of this letter [...]

**IMPORTANT DEADLINE: A completed Form TM8 (or else a Form TM9c) MUST be received on or before 11 April 2019.**

Rule 18(2) of the Trade Marks Rules 2008 states that *“where an applicant fails to file a Form TM8 within the relevant period, the application for registration, insofar as it relates to the goods and services in respect of which the opposition is directed, shall, unless the registrar otherwise directs, be treated as abandoned.”* **It is important to understand that if the deadline date is missed, then in almost all circumstances, the application will be treated as abandoned.**

5. On 8 April 2019, JLL filed Form TM9C (Request for a cooling off period) which included a declaration to the effect that the applicant had agreed to the request. The parties thereafter entered into a period of cooling off. On 9 April 2019, the parties were notified that, in accordance with Rule 18(4), the cooling off period would expire on 11 November 2019. The parties were advised that, on or before this date, either a Form TM9e or TM8 and counterstatement should be filed. The consequences of failing to file either of these forms were also outlined. The relevant paragraphs of the letter are as follows:

“I refer to the TM9c dated 8 April 2019 indicating that the parties wish to enter into a cooling off period.

In accordance with Rule 18(4) of the Trade Marks Rules 2008, this period will expire on **11 November 2019**.

The Registrar, may on request, extend the cooling off period for a further nine months where such request is filed on TM9e and with the agreement of both parties. Please note that the TM9e should be received on or before **11 November 2019**.

If no such request is made, the TM8 and counter-statement should be filed on or before **11 November 2019** or the application shall, unless the Registrar otherwise directs, be treated as abandoned in whole or part, in accordance with Rule 18(2) of the Trade Marks Rules 2008.

If the opponent wishes at any time to terminate the cooling off period they should submit a TM9t. The applicant can terminate the cooling off period at any time by filing the TM8 and counterstatement.”

6. On 27 September 2019, Wilson Gunn (“WG”) filed Form TM33P, the effect of which was to appoint itself as the new recorded representative for the opponent. The change in representation for the opponent was recorded by the Intellectual Property Office on 15 October 2019.

7. On 7 November 2019, WG filed Form TM9e (Request for an extension to the cooling off period). The form included a declaration that the request for a further extension of time was to enable the parties to negotiate a settlement of the opposition proceedings and that the applicant had agreed to the request. On 12 November 2019, the parties were informed that the request for an extension to the cooling off period was granted and, as a result, it would now expire on 11 August 2020. The parties were advised that, as per Rule 18(5), no further extension to the cooling off period would be permitted. It was explained that the Form TM8 and counterstatement were due to be

filed on or before this date. The consequences of failing to file the same were outlined. The pertinent paragraphs of the letter are as follows:

“I refer to the TM9e dated 07 November 2019 which requested an extension to the cooling off period for a further nine months.

The extension to the cooling off period is allowed. This period will now expire on **11 August 2020**.

Under Rule 18(5) of the Trade Marks Rules 2008 no further extension to the cooling off period is allowed. Therefore, the TM8 and counter-statement are due to be filed on or before **11 August 2020**.

If no TM8 and counter-statement are filed within this period allowed the application shall, unless the Registrar otherwise directs, be treated as abandoned in whole or part, in accordance with Rule 18(2) of the Trade Marks Rules 2008.

If the opponent wishes at any time to terminate the cooling off period they should submit a Form TM9t. The applicant can terminate the cooling off period at any time by filing the Form TM8 and counterstatement.”

8. On 30 July 2020, Bird & Bird LLP (“BB”) filed Form TM33 to appoint itself as the new recorded representative for the applicant. The change in representation for the applicant was recorded by the Intellectual Property Office on 2 August 2020.

9. No Form TM8 was filed by the deadline of 11 August 2020. Instead, on this date BB filed a request to suspend the opposition proceedings for a period of three months in order for the parties to reach a settlement. The request was jointly signed by the representatives of both the applicant and the opponent. The Tribunal wrote to the applicant on 20 August 2020 in the following terms:

“[...] As no TM8 and counterstatement has been filed within the time period set, Rule 18(2) applies. Rule 18(2) states that the application:

“.....shall, unless the registrar otherwise directs, be treated as abandoned.”

The registry is minded to deem the application as abandoned as no defence has been filed within the prescribed period.

If you disagree with the preliminary view you **must** provide full written reasons and request a hearing on, or before, **3 September 2020**. This must be accompanied by a Witness Statement setting out the reasons as to why the TM8 and counterstatement are being filed outside of the prescribed period.

If no response is received the registry will proceed to deem the application abandoned.

[...]

### **Stay request**

I refer to your letter dated 10 August 2020, received 11 August 2020, requesting a stay of the above proceedings. The registry cannot consider a stay request until a Form TM8 has been filed. The parties should note the guidance in Tribunal Practice Notice 2/2011 regarding stay requests made following the extended cooling off period.”

10. On 25 August 2020, BB filed a written response to the above along with the applicant’s Form TM8 and counterstatement. BB requested that the Tribunal use its discretion to allow the applicant to file its Form TM8 and counterstatement outside of the prescribed period so that the application was not deemed abandoned. BB provided an explanation as to why the defence was not filed by the deadline, which will be discussed later in this decision. It also invited the Tribunal to consider the aforementioned joint suspension request. Further, it indicated that a witness statement relating to the late filing of the defence would be provided by the deadline of 3 September 2020.

11. On 2 September 2020, BB wrote to the Tribunal and filed a witness statement of Peter Brownlow, along with Exhibit PRB1. Mr Brownlow is a partner at the firm and is responsible for the conduct of these proceedings on behalf of the applicant. In its letter, BB also requested a hearing in the event that the Tribunal maintained its position that the application was to be deemed abandoned.

12. On 8 September 2020, BB again wrote to the Tribunal to provide an amended version of Mr Brownlow's witness statement. BB had become aware that, due to an administrative error, the wrong document had been included at Exhibit PRB1. By way of this correction, BB replaced Exhibit PRB1 with a copy of the aforementioned joint suspension request, as originally intended.

13. On 29 September 2020, the parties were informed that it was the preliminary view of the Registrar that the applicant's Form TM8 and counterstatement should be admitted into proceedings. A preliminary view in relation to the joint suspension request was also given, namely, that the request should be refused. The parties were advised that, if they disagreed with either of these preliminary views, a hearing should be requested on or before 13 October 2020. The pertinent paragraphs of the letter are as follows:

"I refer to the Form TM8 and counterstatement filed on 25 August 2020 and to the witness statement filed on 2 September 2020.

It is the preliminary view of the registry that in its witness statement the applicant has shown extenuating circumstances and compelling reasons sufficient to allow the Registrar to exercise discretion and allow the TM8 to be admitted.

[...]

### **Stay request**

I refer to your letter dated 10 August 2020 in which you request a stay of the above proceedings.

It is the preliminary view of the Registrar that the request should be **refused** as you have not provided full reasons to support such a request in accordance with **Tribunal Practice Notice 2/2011**.

Where there has been an extended cooling off period, any request for a stay must have compelling evidence to substantiate the request and be for a short period only. The evidence should demonstrate that negotiations are at a very advanced stage and that time is required only to finalise and sign documents before terminating the proceedings and a timetable for these actions should also be included.

**The Registrar will not permit a stay of proceedings at this stage for further negotiations unless the parties can state a date, within the next month or so, by which time agreement is expected or the parties have agreed to mediation.**

If either party disagrees with the above preliminary views, they should request a hearing under Rule 63(1), in writing, within 14 days of the date of this letter, that is, on or before **13 October 2020**.

If no such request is received within the time allowed, the decision will automatically be confirmed.”

14. On 9 October 2020, Baker & Mckenzie LLP (“BM”) filed Form TM33P to appoint itself as the new recorded representative for the opponent. Subsequently, on 13 October 2020, BM wrote to the Tribunal in order to request a hearing under Rule 63(1) of the Rules as the opponent disagreed with the preliminary view of the Registrar that the applicant had shown extenuating circumstances and compelling reasons sufficient for discretion to be exercised and the Form TM8 to be admitted.

15. Neither of the parties challenged the preliminary view of the Registrar that the suspension request should be refused and, therefore, nothing further will be said about it.

## **THE HEARING**

16. A joint hearing took place before me by telephone conference on 2 November 2020. At the hearing, Ms Charlotte Blythe of Counsel, instructed by BB, appeared for the applicant. Ms Rachel Wilkinson-Duffy of Counsel, instructed by BM, attended for the opponent. Both sides filed skeleton arguments in advance of the hearing. At the conclusion of the hearing, I reserved my decision to give me an opportunity to properly reflect on the submissions put forward by both parties and all the circumstances of the case.

## **DECISION**

17. The filing of a Form TM8 and counterstatement in opposition proceedings is governed by Rule 18 of the Rules. The relevant parts read as follows:

“18. – (1) The applicant shall, within the relevant period, file a Form TM8, which shall include a counter-statement.

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

(3) Unless either paragraph (4), (5) or (6) applies, the relevant period shall begin on the notification date and end two months after that date.”

18. The combined effect of Rules 77(1), 77(5) and Schedule 1 of the Rules means that the time limit in Rule 18, which sets the period in which the defence must be filed, is non-extensible other than in the circumstances identified in Rule 77(5) which states:

“A time limit listed in Schedule 1 (whether it has already expired or not) may be extended under paragraph (1) if, and only if –

(a) the irregularity or prospective irregularity is attributable, wholly or in part, to a default, omission or other error by the registrar, the Office or the International Bureau; and

(b) it appears to the registrar that the irregularity should be rectified.”

19. There is no suggestion that there has been any irregularity on the part of the Tribunal. Consequently, the only basis on which the applicant may be allowed to defend the opposition proceedings is if I exercise in its favour the discretion afforded to me by the use of the words “unless the registrar otherwise directs” in Rule 18(2).

20. In approaching the exercise of discretion in these circumstances, I take into account the decisions of the Appointed Person in *Kickz AG v Wicked Vision Limited* (“*Kickz*”)<sup>1</sup> and *Mark James Holland v Mercury Wealth Management Limited* (“*Mercury*”)<sup>2</sup> i.e. I have to be satisfied that there are extenuating circumstances which justify the exercise of the discretion in the applicant’s favour.

21. In *Music Choice Ltd’s Trade Mark* (“*Music Choice*”)<sup>3</sup>, the Court indicated that a consideration of the following factors (underlined below) is likely to be of assistance in reaching a conclusion as to whether or not discretion should be exercised in favour of a party in default. That is the approach I intend to adopt, referring to the parties’ submissions to the extent that I consider it necessary to do so.

The circumstances relating to the missing of the deadline including reasons why it was missed and the extent to which it was missed;

22. As noted above, the stipulated deadline for the filing of the applicant’s Form TM8 and counterstatement was 11 August 2020. This was filed by BB on 25 August 2020. Therefore, the deadline was missed by 14 days. The applicant’s explanation as to why the deadline was missed is multifaceted.

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<sup>1</sup> BL/O/035/11

<sup>2</sup> BL/O/050/12

<sup>3</sup> [2005] RPC 18

23. Firstly, the applicant has submitted that BB was instructed to take over the conduct of these proceedings on 30 July 2020 and were recorded as its representatives on 2 August 2020, 9 days before the deadline.<sup>4</sup> Shortly after being instructed by the applicant, BB contacted WG (the opponent's then representatives) with a view to agreeing a joint suspension request; the purpose of which was to enable ongoing settlement negotiations of the global dispute between the parties to continue.<sup>5</sup> The suspension request was agreed by WG and a signed copy was returned to BB by email at 17:48 on 10 August 2020.<sup>6</sup> The following day, i.e. 11 August 2020, the joint suspension request was filed by BB.<sup>7</sup>

24. The fee earner at BB responsible for this matter erroneously believed that the filing of the joint suspension request would suspend the proceedings and the deadline for the filing of the applicant's Form TM8.<sup>8</sup> However, at the hearing, Ms Blythe stressed that this was not the only factor which caused the deadline to be missed.

25. This error, according to the applicant, was compounded by staff absences during the summer holiday period and home-working arrangements due to the COVID-19 outbreak. At the hearing, Ms Blythe submitted that, naturally, remote working due to the pandemic has made some matters more challenging; such as, in her submission, ensuring that communication and management systems are up to date and functioning properly.

26. As a result of these circumstances, in the "short time" since the firm was instructed in these proceedings, the matter had not been entered into its trade mark management system. The knock-on effect was that deadline reminders were not sent to the relevant fee earners by the firm's formalities team, as was normal practice.<sup>9</sup> At the hearing, Ms Blythe emphasised that the deadline would have usually been flagged to a number of fee earners – not just the individual responsible for the filing of the joint suspension request – allowing the error to be rectified.

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<sup>4</sup> Witness statement of Peter Brownlow, §6

<sup>5</sup> Brownlow, §7-8

<sup>6</sup> Brownlow, §8

<sup>7</sup> Brownlow, §8

<sup>8</sup> Brownlow, §10

<sup>9</sup> Brownlow, §9 & 11

27. Further, the applicant has submitted that, ordinarily, reminders would have also been sent after the deadline. However, as the matter was omitted from the firm's trade mark management system, BB did not become aware of the missed deadline until it received the Tribunal's letter of 20 August 2020.<sup>10</sup> Upon receipt of the same, in the applicant's submission, BB took steps to "quickly" rectify the position by filing the applicant's Form TM8 and an explanation for the delay on 25 August 2020; Mr Brownlow's evidence was then filed on 2 September 2020.

28. The opponent has accepted that there was, in fact, a delay in the deadline being docketed by BB. Nevertheless, contrary to the applicant's explanation, the opponent has contended that the "primary, if not sole, reason" was the fee earner's error. It is the opponent's submission that, while unfortunate, the fee earner's belief that the deadline for the filing of the Form TM8 would be extended by the joint suspension request does not constitute extenuating circumstances or compelling reasons for the Registrar to exercise its discretion. The opponent has argued that the applicant is professionally represented and, therefore, reasonable familiarity with trade mark law, process and the significance of the required steps in opposition proceedings ought to be presumed. The delay, according to the opponent, does not reflect the appropriate high standard of due care and attention for a professional representative. At the hearing, Ms Wilkinson-Duffy expressed concern that exercising discretion in these circumstances would set a precedent for similar errors to be excused, rendering the non-extendable deadline meaningless.

29. Moreover, the opponent has argued that BB's failure to enter the matter into its trade mark management system had no material impact on the missed deadline. However, at the hearing, Ms Wilkinson-Duffy conceded that there did appear to be a process in place at BB which was not adhered to on this occasion and accepted that Mr Brownlow's evidence refers to reminders ordinarily being sent to fee *earners* rather than one individual fee *earner*. In any event, the opponent has argued that the filing of the joint suspension request on 11 August 2020 "clearly indicates [an] awareness of the deadline".

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<sup>10</sup> Brownlow, §12

30. Furthermore, the opponent has disputed the impact of the other factors included in the applicant's explanation. Staff absences over the summer holiday period must, in the opponent's submission, be expected and planned for every year. Further, the opponent has submitted that the UK had moved to widespread remote working due to COVID-19 nearly five months before the deadline for the filing of the Form TM8, intimating that this is not reasonable justification for missing the same. There is no evidence, the opponent contends, that there was any significant impact on BB due to the pandemic at the relevant time.

The nature of the opponent's allegations in its statement of grounds;

31. Under sections 5(1) and 5(2)(a) of the Act, the opponent claims that the mark which forms the subject of the contested application is identical to the 916 mark and has been applied for in relation to identical and/or similar services.

32. Under section 5(3) of the Act, the opponent claims that the 916 mark has a reputation for all the goods and services for which it is registered. Under this ground, the opponent also claims that the 439 mark has a reputation for all the goods for which it is registered. Use of the contested mark, according to the opponent, would take unfair advantage of, or be detrimental to, the distinctive character or the repute of its marks. Further, that any such use would benefit from the opponent's prestige and exploit the marketing efforts of the opponent without financial compensation. As such, the relevant public would make an economic connection or establish a link between the parties.

33. As for its claim under section 5(4)(a), the opponent relies upon its alleged earlier right in the sign **NEOM**. The opponent claims to have used the sign throughout the UK since 2004 in relation to '*candles, home fragrance, bath and body products, skincare, perfume, retail services, spa services*', establishing a significant reputation and goodwill. As such, it is argued that use of the contested mark would result in a misrepresentation as to the origin of the services.

34. Whilst it is not for the present hearing to determine the merits of the case, for the purpose of the criteria under consideration it is sufficient to note that there is an arguable case to be determined requiring the filing of cogent evidence.

The consequences of treating the applicant as defending or not defending the opposition:

35. If the applicant is permitted to defend the opposition, the proceedings will continue with the parties given an opportunity to file evidence and the matter will be determined on its merits.

36. If, however, the applicant is not allowed to defend the opposition, its application will be deemed abandoned and it will lose its priority filing date of 24 October 2017. It will remain open to the applicant to refile its application which may, in turn, be opposed again by the opponent.

37. The opponent has submitted that the consequence of the application being deemed abandoned is no more than the consequence of a failure to meet a “clearly communicated deadline”. Conversely, the applicant has submitted that this would cause it significant prejudice, as any new application would have a filing date of over three years later than its priority date. Ms Blythe stressed at the hearing that this was crucial in the context of the global dispute between the parties, while Ms Wilkinson-Duffy suggested that there is nothing which points to anything more than “theoretical” damage.

Any prejudice caused to the opponent by the delay:

38. In the applicant’s submission, the opponent will not suffer any prejudice as a result of the delay. In this connection, the applicant has highlighted that the opponent required three attempts to file an admissible Form TM7, thereby causing a delay at the outset of these proceedings. Further, that these proceedings have already been the subject of an extended cooling off period which delayed the deadline for filing the Form TM8 from 11 April 2019 to 11 August 2020. At the hearing, Ms Blythe also suggested that the opponent’s agreement to the joint suspension request is indicative that the

opponent did not consider that it would be prejudiced by a further three-month delay. The applicant has submitted that the opponent would face greater delay and expense if the application is deemed abandoned. This is because the applicant would likely file a new application which, in turn, would likely attract another opposition from the opponent.

39. The opponent has not identified any particular prejudice which it would be caused by the delay, save for the inconvenience of temporary uncertainty regarding the applicant's position in relation to these proceedings. At the hearing, Ms Wilkinson-Duffy suggested that the opponent would be prepared to file supplementary evidence regarding the impact of the applicant failing to meet the deadline. However, I explained that I did not deem it necessary for the purposes of the present hearing and she accepted that it would be largely irrelevant to the proceedings.

Any other relevant considerations such as the existence of related proceedings between the parties.

40. There are proceedings between the parties in a number of jurisdictions including the US, Australia and the EU.<sup>11</sup> Both sides have indicated that there is a global dispute between the parties regarding the 'NEOM' mark. Ms Blythe submitted that this will continue regardless of whether the present application is deemed abandoned.

## **CONSIDERATIONS**

41. At the hearing, Ms Wilkinson-Duffy referred me to a number of prior decisions of the Tribunal. Firstly, Ms Wilkinson-Duffy argued that the present proceedings are somewhat analogous to *Tescon v Praedidiad NV*, BL O/193/19. She highlighted that the deadline for the filing of the Form TM8 was missed in that case by 9 days due to an error by a legal representative and that the defence was not admitted. Ms Blythe, however, sought to distinguish the present circumstances from the foregoing as the deadline was not missed due to one person's error; rather, it was because of a "series of unfortunate events".

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<sup>11</sup> Brownlow, §4

42. Next, Ms Wilkinson-Duffy referred me to *Ringdale UK Limited v Anon*, BL O/727/19. In that case, Ms Wilkinson-Duffy explained, an unrepresented party was seeking the discretion of the Registrar to allow its late filed Form TM8 into proceedings. However, even without the benefit of legal representation or knowledge, the explanation was not found to be sufficient.

43. Finally, I was referred to *Firexo Ltd v Walter Kidde Portable Equipment Inc*, BL O/781/19. Ms Wilkinson-Duffy outlined that, in this case, the late Form TM8 was admitted by the Registrar, but, in contrast to the present proceedings, the deadline was only missed by seventeen and a half hours; the deadline was missed and immediately rectified. Ms Wilkinson-Duffy submitted that, in that “exceptional case” there was a “perfect storm of circumstances” that are not present here. Ms Blythe, on the other hand, submitted that the applicant’s explanation is analogous to the circumstances of this case.

44. While I have read the decisions and note their contents, I must clarify that the findings of those decisions will be of little assistance to either party. Although it is, of course, important to be guided by legal principles established by case law, I do not consider it appropriate to undertake my assessment by comparison to other decisions of this Tribunal. It is well-established that previous decisions are not binding and that each case must be assessed on its own merits. The matter before me is a fact-specific evaluation, which must be conducted in accordance with the factors outlined above.

45. I shall first deal with the applicant’s reliance on the difficulties caused by the COVID-19 pandemic. I accept that the pandemic has been challenging for individuals and businesses alike. However, the sorts of issues to which Ms Blythe has referred, i.e. home working and keeping communication and management systems up to date and functioning properly, have been experienced by many in this country during the pandemic and, in my experience, deadlines before this Tribunal have, for the most part, continued to be met. While I have some sympathy with the position in which BB found itself, it has not demonstrated any specific impact on its business operations over and above the general difficulties which all businesses have been faced with. Further, as Ms Wilkinson-Duffy highlighted, the pandemic had been ongoing for

several months prior to the deadline for the filing of the Form TM8. I would expect a firm such as BB to have implemented reasonable adjustments to ensure the continuation of its business by this time. Without more, the generalised impact of the pandemic does not, in my view, amount to an extenuating circumstance or compelling reason alone.

46. Similarly, I do not consider staff shortages during the summer holiday period to be compelling. I agree with the sentiment expressed by Ms Wilkinson-Duffy, insofar as businesses must, and do, anticipate the summer holiday period every year and plan for it accordingly. Further, BB is a large firm and I would expect there to be procedures in place to ensure reasonable, or at least adequate, cover during holiday periods. As such, I am of the view that the issue of staff shortages, in and of itself, is not sufficient to justify me exercising the very limited discretion at my disposal.

47. From the correspondence sent from the Tribunal to the applicant's representatives – whether that be BB or its predecessors – there could have been no doubt as to when the Form TM8 was due and that there would be no extension to the deadline, subsequent to the expiration of the extended cooling off period. It is also pertinent that the applicant is professionally represented and, as such, ought to have had an appreciation of this.

48. Notwithstanding the foregoing, from the applicant's explanation it is clear that two critical errors were made by BB resulting in the late filing of the Form TM8 and counterstatement. In *Praesidiad NV v Tescon Sicherheitssysteme Schweiz GMBH* ("*Tescon*"), BL O/240/20, Mr Geoffrey Hobbs Q.C. as the appointed person stated at paragraph 32 that:

"I readily accept that human error is not necessarily inconsistent with the existence of extenuating circumstances or compelling reasons for permitting invalidity proceedings to be defended in the exercise of the discretion conferred by rule 41(6) [...] It is nonetheless clear that the test to be applied cannot be taken to permit or require all human errors to be treated as excusable for the purposes of rule 41(6). There must, in other words, be a fact specific evaluation

for the purpose of determining whether the particular error in question should or should not be treated as excusable in the circumstances of the case at hand.”

49. Although *Tescon* concerned an application for invalidity, the same assessment is relevant to the late filing of a Form TM8 and counterstatement in opposition proceedings. Moreover, while, ultimately, the decision not to admit the Form TM8 into proceedings was upheld in *Tescon*, Mr Hobbs acknowledged that human errors can constitute extenuating circumstances or compelling reasons sufficient for the exercise of discretion, where the specific facts of the case merit it.

50. First of all, BB was not instructed until 9 working days before the deadline and, in that time, the matter was not entered into the firm’s trade mark management system. The effect of this was that no reminders were sent to the responsible fee earner, nor any other fee earners, prior to the deadline. It also meant that the deadline was not brought to the attention of any fee earners subsequent to the deadline. In Ms Blythe’s submission, reminders before and after the deadline would have been sent but for this error, in accordance with the firm’s usual practice. The established system that was in place would usually prevent a deadline from being overlooked and, even if it was, the relevant fee earners would quickly become aware of it.

51. It is somewhat surprising that a professional firm such as BB had not immediately entered the matter into its management system upon becoming instructed. However, Ms Blythe has submitted that, in the 9 working days from taking over the conduct of the matter for the applicant to the deadline for the filing of the Form TM8, BB was focused on negotiating the opponent’s agreement to a further three-month suspension of the proceedings. I agree that, at the relevant time, this appeared to be BB’s primary focus. The suspension request – although, ultimately, refused – was agreed by both parties and filed at the Registry within a matter of days. In this regard, BB could be said to have acted swiftly, albeit in a misguided endeavour. I also note that BB have regular procedures and an established system in place which is ordinarily adhered to.

52. Turning to the second error, the particular fee earner at BB who was responsible for this matter believed, incorrectly, that the filing of a joint request for a further three-month extension would suspend the deadline for the filing of the applicant’s defence.

While it is surprising that a professional representative misunderstood the correct procedure before this Tribunal, to my mind, this is an unambiguous example of human error.

53. I consider it significant that the opponent's representatives agreed to the erroneous suspension request which was filed in place of a Form TM8. Although the opponent's representatives would, of course, have no obligation to advise BB that a further suspension would not be possible, the request was jointly signed. By signing the suspension request, the opponent made it clear via its legal representatives that, in principle, it was content for the matter to be delayed by a further three months. As such, in the context of the extended cooling off period and the joint request for a further three-month suspension, I do not consider a delay of 14 days for the late filing of the Form TM8 to be substantial.

54. Moreover, it is pertinent that there is a global dispute between the parties, with proceedings ongoing in other jurisdictions. Both parties had already agreed to enter into a cooling off period as well as an extension to that cooling off period, suspending these proceedings for some 16 months. Although negotiations were allegedly ongoing, I can see no reason why it would come as any surprise to the opponent that the applicant intended to defend the opposition and, importantly, the global dispute will continue regardless. In this context, although these errors are regrettable, it appears to me that the opponent will suffer no material prejudice by the Form TM8 being admitted into the proceedings, whereas the applicant will lose a priority date from over three years ago.

55. Having weighed all of the factors set out by the case law in *Kickz*, *Mercury* and *Music Choice*, I am satisfied that, in particular, (i) the lack of any material prejudice to the opponent, (ii) the presence of a global dispute between the parties, (iii) the significant delays already witnessed in these proceedings due to the extended cooling off period, and (iv) the opponent's agreement to a further three-month suspension are, when considered together, sufficient for me to exercise the discretion in Rule 18(2) in the applicant's favour. Not to do so is likely to result in a windfall for the opponent which, given the factual matrix I have described, is not, in my view, appropriate.

## **CONCLUSION**

56. The consequence of the above finding is that the applicant's Form TM8 and counterstatement will be admitted into the proceedings. It will then be formally served upon the opponent and a timetable will be set for the filing of evidence.

## **COSTS**

57. In its skeleton arguments, the opponent requested a costs award. At the hearing, I advised the parties that, if I were to allow the opposition to continue by admitting the applicant's defence into the proceedings, costs would be considered at the final determination of the case. This view was not challenged by either party. Therefore, in the circumstances, no further action on the matter of costs is required at this time.

**Dated this 19th day of November 2020**

**James Hopkins  
For the Registrar,  
The Comptroller-General**