

O/130/21

TRADE MARKS ACT 1994

**IN THE MATTER OF
TRADE MARK REGISTRATION NO. 3459704
IN THE NAME OF TROPICAL TANG FOODS LIMITED
FOR THE TRADE MARK:**

Rare

IN CLASS 29

AND

**THE LATE FILING OF FORM TM8 AND COUNTERSTATEMENT
FILED IN DEFENCE OF THAT REGISTRATION
IN CANCELLATION PROCEEDINGS UNDER NO. 503286
BY BARE FOODS CO.**

BACKGROUND

1. Tropical Tang Foods Limited (“the proprietor”) is the registered proprietor of UK trade mark registration number 3459704, **Rare** (“the proprietor’s mark”). The proprietor’s mark was filed on 20 January 2020 and was entered into the register on 9 August 2020. It stands registered in respect of a range of goods in class 29.

2. On 14 August 2020, Bare Foods Co. (“the applicant”) made an application for a declaration of invalidity in respect of the proprietor’s mark pursuant to section 47(2) of the Trade Marks Act 1994 (“the Act”). The application is based upon section 5(2)(b) of the Act and is directed against some of the goods for which the proprietor’s mark is registered. The applicant relies upon the following trade marks:¹

BARE

International Registration Designating the EU no. 1184652

Registration date: 9 November 2013

Priority date: 23 September 2013 (United States Patent and Trademark Office)

Protection granted in the EU: 14 October 2014

BARE

United Kingdom trade mark no. 3376161

Filing date: 18 February 2019

BARE FRUIT

International Registration Designating the EU no. 1175908

Registration date: 28 August 2013

Priority date: 8 July 2013 (United States Patent and Trademark Office)

Protection granted in the EU: 5 August 2014

¹ Although the UK has left the EU and the transition period has now expired, EUTMs, and International Marks which have designated the EU for protection, are still relevant in these proceedings given the impact of the transitional provisions of the Trade Marks (Amendment etc.) (EU Exit) Regulations 2019. Tribunal Practice Notice 2/2020 refers.

3. The Tribunal served the Form TM26(I) on the proprietor by recorded post and email on 24 August 2020. In accordance with Rule 41(6) of the Trade Mark Rules 2008 (“the Rules”), the proprietor was informed that it had two months from the date of the letter in which to file its Form TM8 and counterstatement. The pertinent paragraphs of the letter are as follows:

“Please find enclosed a copy of a TM26(I), application for invalidity, filed against your registration.

If you wish to continue with your registration, you need to file a notice of defence and counterstatement by completing Form TM8 - please note the important deadline below. You will find a blank Form TM8 on the IPO website, together with brief guidance on what happens after it is filed:

<https://www.gov.uk/government/publications/trade-mark-forms-and-fees/trade-markforms-and-fees>

Rule 41(6) 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 MUST be received on or before 26 October 2020

In accordance with rule 41(6) if the TM8 and counter-statement are not filed within this period, (a period which cannot be extended), the registration of the mark shall, unless the registrar otherwise directs, be declared invalid in whole or part. **It is important to understand that if the deadline date is missed, then in almost all circumstances, the registration will be treated as invalid in whole or part.** (original emphasis)

4. The proprietor did not file a Form TM8 until 31 October 2020, five days after the prescribed deadline of 26 October 2020. On 3 December 2020, the Tribunal wrote to the proprietor to confirm receipt of the Form TM8. In that correspondence, the proprietor was informed that, as the Form TM8 had not been filed by the deadline, it

was required to file a witness statement explaining the reasons why. A period of 14 days was allowed. The pertinent paragraphs of the letter are as follows:

"I acknowledge receipt of the Form TM8 received on **31 October 2020**. Please accept my apologies for the delay in replying.

The Form TM8 was not filed by the deadline of **26 October 2020**, as specified by the Registry in the official letter dated **24 August 2020**. In order to consider admitting the Form TM8 the Registry will now require a witness statement which explains why the form was not received by the due date.

In light of any further information as provided above, the Registry will then issue a preliminary view as to whether it should invoke the discretion contained within Rule 18(2) [sic] and to accept the Form TM8 into the proceedings.

A period of fourteen days from the date of this letter, that is, on or before **17 December 2020**, is therefore allowed for you to provide the necessary documentation as highlighted above.

If no response is received the Registrar will proceed to declare the registration of the mark invalid in accordance with Rule 41(6)." (original emphasis)

5. On 12 December 2020, Mr Prashant Patwardhan – the owner of the proprietor – contacted the Tribunal by email to provide the proprietor's reasons for the late filing of the Form TM8. The reasons given were as follows:

"Primary reason for the delay as like many other companies is us experiencing unprecedented workforce/ business issues owing to COVID-19. The correspondence that I have received from the IP office too starts with "I acknowledge receipt of the Form TM8 received on 31 October 2020. Please accept my apologies for the delay in replying". Delays during the pandemic have become a norm rather than an exception and we are facing the same challenges as the vast majority of companies which regrettably led to the delay in replying.

Given the extraordinary situation that we all are facing I would sincerely request Registry to exercise its discretionary power contained within Rule 18(2) to accept the Form TM8 into the proceedings. As highlighted in our response, the reasons for opposition to the aforesaid trademark by the cancellation applicants are unreasonable and without a basis.”

6. On 4 January 2021, the Tribunal wrote to the proprietor reiterating that the reasons for the late filing of the Form TM8 were required in the form of a witness statement. A further period of 14 days was allowed. The relevant sections of the letter were as follows:

“The official letter dated 3 December 2020 advised you that as the Form TM8 was not filed by the deadline of 26 October 2020, in order to consider admitting the Form TM8 the Registry will require a witness statement which explains why the form was not received by the due date.

A period of fourteen days from the date of this letter, that is, on or before **18 January 2021**, is therefore allowed for you to provide the necessary documentation as highlighted above.

If no response is received the Registrar will proceed to declare the registration of the mark invalid in accordance with Rule 41(6)” (original emphasis)

7. On 17 January 2021, Mr Patwardhan contacted the Tribunal by email in the following terms:

“This is reference to your letter Jan 4, 2021.

Please find attached the witness statement corroborating the earlier response as to why there was a delay in submitting the TM8 form.

As requested in my previous correspondences, given the extraordinary situation that we all are facing I would sincerely request Registry to exercise its

discretionary power contained within Rule 18 (2) to accept the Form TM8 into the proceedings. Also, the trademark (being challenged) has already been issued to us (dated August 9th,2020/ UK00003459704) and significant investment has been made since then in producing the packaging and communication materials.

As highlighted in our response, the reasons for opposition to the aforesaid trademark by the cancellation applicants are unreasonable and without a basis.”

8. Accompanying this email, the proprietor filed the witness statement of Ms Chloe Keenan dated 16 January 2021.² Ms Keenan states that she is a resident of London who works closely with the proprietor. She explains that the proprietor’s business is import oriented and has been significantly impacted by the COVID-19 pandemic. In this regard, Ms Keenan says that the business has been impacted by flight interruptions, furloughed staff and “other business issues which a large majority of companies have encountered across the world”. In addition, Ms Keenan submits that mental strain caused by the pandemic and having to handle and prioritise multiple challenges led to some delays in the business.

9. On 20 January 2021, the parties were informed that it was the preliminary view of the Registrar that the proprietor’s Form TM8 and counterstatement should be admitted into the proceedings. The parties were advised that, if they disagreed with the preliminary view, a hearing should be requested on or before 3 February 2021. The pertinent paragraphs of the letter are as follows:

“I acknowledge receipt of the witness statement received on 16 January 2021.

I refer to the witness statement provided by the applicant explaining why the TM8 was filed late. Having considered the reasons provided the Registrar’s preliminary view is to admit the late filed TM8 and counterstatement into the proceedings.

² The proprietor did not provide a copy of the witness statement to the applicant.

In reaching this decision, the Registrar has taken account of all the facts of the case, the guidance provided by the legal authorities, the potential prejudice to the opponent (sic) if the defence is admitted, the consequences for the applicant (sic) if it isn't.

If either party disagrees with the preliminary view, they have 14 days to request a hearing, that is on or before **3 February 2021.**" (original emphasis)

10. On 2 February 2021, the applicant contacted the Tribunal by email in order to request a hearing to discuss the admissibility of the Form TM8 and counterstatement.

THE HEARING

11. A joint hearing took place before me by telephone conference on 19 February 2021. At the hearing, Mr Jeremy Pennant of D Young & Co LLP appeared for the applicant, while the proprietor represented itself through Mr Patwardhan. Only the applicant filed skeleton arguments in advance of the hearing.

12. At the hearing, Mr Patwardhan reiterated that the proprietor's Form TM8 was not filed by the deadline as a result of the COVID-19 pandemic. He submitted that everyone has been impacted and delays have become the norm, rather than the exception. The proprietor, Mr Patwardhan explained, has faced difficulties in the carrying on of its import-based business due to supply chain issues caused by the pandemic. He said that goods imported from Asia have been held at Heathrow Airport, resulting in the business incurring daily costs; organising the release of these goods has been the proprietor's prime focus during the pandemic, and has taken priority over other matters, including the completion of the Form TM8 in these proceedings. Mr Patwardhan stated that, while responding to the application was important to the proprietor, securing the business has been its main concern. Mr Patwardhan also referred to the negative impact of homeworking arrangements and having furloughed staff, both of which, in his submission, caused delays to the operation of the business. Mr Patwardhan explained that these challenges have caused his mental health to suffer, though preferred not to discuss personal issues in any greater depth. In the

circumstances, Mr Patwardhan did not consider the proprietor's delay in filing the Form TM8 to be significant and argued that the pandemic ought to be considered an extenuating circumstance and a compelling reason justifying the exercise of discretion.

13. Mr Pennant sought to clarify whether a witness statement had been filed by the proprietor in these proceedings. I confirmed that a witness statement had been filed by Mr Patwardhan on 17 January 2021, though, while reviewing the applicant's skeleton arguments, it had come to my attention that a copy had not been provided to the applicant at that time. I explained that the Tribunal had sent a copy to the applicant on 18 February 2021. Notwithstanding this, Mr Pennant stated that, unfortunately, he had not had sight of the witness statement prior to the hearing. It was on this basis that Mr Pennant proceeded to make the applicant's submissions and I agreed to bear in mind that he was not aware of the contents of the witness statement.

14. Mr Pennant outlined the factors which must be considered when deciding whether to exercise discretion in favour of a party in default, directing me to the decision of *Billions London, O/070/19*. Mr Pennant submitted that it is clear the authority of the Registrar is relatively narrow in terms of admitting a Form TM8 that is filed late where there is no fault on the part of the Registrar. He said it was generally accepted there has been no such fault in this case and, therefore, the issue to be determined rests solely on the proprietor's circumstances and the reasons it has given for the delay. Mr Pennant highlighted the official letters from the Tribunal to the proprietor which confirmed that the deadline could not be extended. While he appreciated that securing the business and ensuring its viability would have been of paramount importance to the proprietor, he submitted that it was beholden on the proprietor to meet its deadlines. Mr Pennant also submitted that the Registry is now "quite firm" when dealing with requests for extensions of time which cite COVID-19 as the reason. Further, that people have now had nearly a year to adapt to the circumstances surrounding the pandemic. Mr Pennant contented that COVID-19, in and of itself, is not a valid excuse for requesting additional time; the relevant deadline was some six months after the commencement of widespread homeworking and, by such time, everyone would have adjusted to new working practices. On the basis that the proprietor's mark had "only just" become registered, Mr Pennant argued that there would be "no great hardship" to the proprietor, should the Form TM8 be deemed not

filed. Furthermore, Mr Pennant submitted that, as the Form TM8 was completed by Mr Patwardhan personally, his references to furloughed staff were not wholly relevant to this issue. In light of the foregoing, Mr Pennant requested that the preliminary view to admit the defence be overturned.

15. In reply, Mr Patwardhan disputed the applicant's argument that businesses had a year to adjust to the pandemic by the time of the deadline. He submitted that, while, theoretically, businesses had had time to adjust, in all practical purposes, many businesses across the world still faced challenges. In Mr Patwardhan's view, it has been difficult for businesses to operate under frequently changing rules, and it is not correct to assume that all businesses had implemented effective adjustments. Mr Patwardhan also disagreed with Mr Pennant's submission that furloughed staff are not relevant to this issue; he explained that, while he had indeed filed the Form TM8, his employees' issues had also impacted on his functioning. In this regard, Mr Patwardhan submitted that he does not work in isolation and needs the help of his employees to carry on the business. Finally, Mr Patwardhan outlined that the Registry has the discretionary power to admit the Form TM8 and has provisionally exercised that discretion so that the case may be determined on its merits.

16. 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. Moreover, as the applicant had not had sight of the proprietor's witness statement prior to the hearing, I also allowed a period of 7 days, i.e. by 26 February 2021, for it to file any written submissions on the matter.³

DECISION

17. The filing of a Form TM8 and counterstatement in cancellation proceedings is governed by Rule 41(6) of the Rules, which reads as follows:

³ The applicant wrote to the Tribunal by email on 25 February 2021. Having reviewed the witness statement after the hearing, Mr Pennant confirmed that the applicant had no additional comments, save for on the issue of costs. I will come to this point later in this decision.

“41. – [...]

(6) The proprietor shall, within two months of the date on which a copy of Form TM26(l) and the statement was sent by the registrar, file a Form TM8, which shall include a counter-statement, otherwise the registrar may treat the proprietor as not opposing the application and registration of the mark shall, unless the registrar otherwise directs, be declared invalid.

[...]”

18. The combined effect of Rules 77(1), 77(5) and Schedule 1 of the Rules means that the time limit in Rule 41(6), 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 proprietor may be allowed to defend the application for a declaration of invalidity 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 41(6).

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*”)⁴ and *Mark James Holland v Mercury Wealth Management Limited*

⁴ BL/O/035/11

(“Mercury”)⁵ i.e. I have to be satisfied that there are extenuating circumstances or compelling reasons which justify the exercise of the narrow discretion afforded to me in the proprietor’s favour.

21. In *Music Choice Ltd’s Trade Mark (“Music Choice”)*,⁶ 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 proprietor’s Form TM8 and counterstatement was 26 October 2020. This was filed by Mr Patwardhan on 31 October 2020. Therefore, the deadline was missed by 5 days.

23. The proprietor’s reason as to why the deadline was missed was the impact of the COVID-19 pandemic, namely, that furloughed staff and homeworking arrangements had delayed business operations and, crucially, other business needs had been prioritised over the filing of the Form TM8.

The nature of the applicant’s allegations in its statement of grounds;

24. The application for a declaration of invalidity is based upon section 5(2)(b) of the Act, under which the applicant claims that the proprietor’s mark is confusingly similar to its earlier marks and has been registered in relation to identical or highly similar goods.

⁵ BL/O/050/12

⁶ [2005] RPC 18

25. 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, part of which will require the filing of cogent evidence.

The consequences of treating the proprietor as defending or not defending the application for invalidation;

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

27. If, however, the proprietor is not allowed to defend the application, the registration will be declared invalid in relation to the goods for which the declaration has been sought. The proprietor's mark will remain registered in respect of the goods for which the declaration has not been sought.

Any prejudice caused to the applicant by the delay;

28. The applicant has not identified any prejudice that it has been caused. I do not consider there to be any prejudice to the applicant beyond the delay which has already occurred.

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

29. Neither of the parties have drawn my attention to any other proceedings in which they are both involved.

CONSIDERATIONS

30. The official letter of 24 August 2020 served the Form TM26(I) on the proprietor and allowed it until 26 October 2020 to file a Form TM8. The letter contained four different mentions of the need for the Form TM8 to be filed by the deadline set and the consequences of failing to do so, i.e. "please note the important deadline below", "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 MUST be received on or before 26 October 2020**” and “**if the deadline date is missed, then in almost all circumstances, the registration will be treated as invalid in whole or part**” (original emphasis). There has been no suggestion that the proprietor was not aware of the deadline.

31. I accept that the pandemic has been challenging for individuals and businesses alike. Moreover, I understand that the proprietor has had important matters to attend to during the pandemic which directly concerned the survival of the business. However, the sorts of issues to which Mr Patwardhan has referred, i.e. resolving supply chain difficulties, homeworking arrangements and furloughed staff, have been experienced by many in this country during the pandemic and, for the most part, deadlines before this Tribunal have continued to be met. While I have some sympathy with the position in which the proprietor found itself and appreciate that the pandemic has undoubtedly caused mental strain for many, 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 Mr Pennant highlighted, the pandemic had been ongoing for several months prior to the deadline for the filing of the Form TM8. It is reasonable to expect that businesses would have implemented necessary adjustments to ensure the continuation of business operations by that time. Moreover, whilst I appreciate Mr Patwardhan’s submission that he does not work in isolation, I can see no reason why the sorts of issues to which he has referred would have directly impacted his ability to file the Form TM8 by the stipulated deadline, not least because the completion of the form is not a particularly onerous task.

32. I am conscious of the serious consequence that will result in treating the proprietor as not defending the application, i.e. that it will lose some of its registration. However, after careful consideration, without specific details, the generalised impact of the pandemic does not, in my view, amount to an extenuating circumstance or compelling reason and, as such, is not sufficient to justify me exercising the very limited discretion provided in Rule 41(6) in the proprietor’s favour.

CONCLUSION

33. The consequence of the above finding is that, subject to any successful appeal, the proprietor's mark will be declared invalid in respect of the following goods:

Class 29: Apple chips; Apple flakes; Arrangements of cut fruit; Arrangements of processed fruit; Banana chips; Berries, preserved; Bottled fruits; Bottled sliced fruits; Bottled vegetables; Broccoli; Canned beans; Canned fruits; Canned peanuts; Canned sliced fruits; Canned sliced vegetables; Canned spinach; Canned tomatoes; Canned vegetables; Carrots; Cassava chips; Coated peanuts; Coconut chips; Coconut, desiccated; Coconut flakes; Coconut-based snacks; Cooked beans; Cooked fruits; Cooked jackfruit; Cooked spinach; Cooked vegetables; Crisps; Crystallised Fruit; Crystallised ginger; Crystallized fruit; Crystallized fruits; Crystallized ginger; Crystallized gingers; Cut fruits; Cut vegetables; Dates; Dehydrated vegetables; Desiccated coconut; Dried bamboo shoot; Dried beans; Dried coconuts; Dried cranberries; Dried dates; Dried edible mushrooms; Dried figs; Dried fruit; Dried fruit mixes; Dried fruit-based snacks; Dried fruits; Dried fruits in powder form; Dried kelps; Dried lentils; Dried mangoes; Dried nuts; Dried okra; Dried olives; Dried pineapples; Dried pulses; Dried soya beans; Dried turnip; Dried vegetables; Dried vegetables in powder form; Edible crystallised fruits; Edible crystallized fruits; Edible dried flowers; Edible nuts; Edible seeds; Edible sunflower seeds; Freeze-dried vegetables; Frosted fruits; Frozen meals consisting primarily of vegetables; Frozen spinach; Frozen vegetables; Fruit- and nut-based snack bars; Fruit based snack foods; Fruit chips; Fruit, preserved; Fruit pulp; Fruit pulps; Fruit purees; Fruit rinds; Fruit salads; Fruit snacks; Fruit spread; Fruit spreads; Fruit-based snack food; Fruits, canned; Fruits (Crystallized -); Fruits in preserved form; Gherkins; Green split-peas; Ground almond; Ground nuts; Guava paste; Lentils; Lentils, preserved; Mushrooms, prepared; Mushrooms, preserved; Onions, preserved; Peach flakes; Peanuts, prepared; Peanuts, processed; Peas, preserved; Peas, processed; Peeled carrots; Peeled vegetables; Pickled fruits; Pickled gherkins; Pre-cut vegetables; Prepared coconut; Prepared dried fruit mixes.

34. The proprietor's mark will remain registered for the following goods for which a declaration of invalidity was not sought:

Class 29: Almond butter; Almond milk; Beverages consisting primarily of milk; Beverages consisting principally of milk; Beverages having a milk base; Beverages made from milk; Beverages made from or containing milk; Blended butter; Cheese containing herbs; Cheese containing spices; Cheese products; Cheeses; Chicken; Chicken jerky; Chicken pieces; Chilli beans; Chilli oil; Clarified butter; Coconut fat; Coconut milk; Coconut milk [beverage]; Coconut milk for cooking; Coconut milk for culinary purposes; Coconut milk powder; Coconut milk used as beverage; Coconut milk-based beverages; Coconut oil; Coconut oil and fat [for food]; Coconut oil for food; Coconut powder; Coconut shrimp; Dahls; Dairy products; Dairy products and dairy substitutes; Dehydrated chicken; Dried fish; Dried fish meat; Dried prawns; Edible fat-based spreads for bread; Edible flowers, dried; Edible insects, not live; Flaxseed oil for culinary purposes; Flaxseed oil for food; Freeze-dried meat; Garlic butter; Garlic paste; Ghee; Goat cheese; Goat milk; Linseed oil for culinary purposes; Mushrooms puree; Oat milk; Oat-based beverages [milk substitute]; Peanut butter; Peanut paste; Peanut spread; Pickled ginger; Pickled hot peppers.

COSTS

35. At the hearing, I outlined that, if I were to refuse the Form TM8, the proceedings would be terminated and, therefore, costs would need to be determined. Neither party challenged this view. Mr Pennant did, however, argue that, given the applicant had not had sight of the witness statement prior to the hearing, it would be not be appropriate to require it to pay any costs in relation to this matter. In light of my conclusion above, nothing further needs to be said about his submission.

36. The proprietor being treated as not defending the application, the applicant is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the applicant the sum of **£400** as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Preparing a statement	£200
Official fee	£200
Total:	£400

37. I therefore order Tropical Tang Foods Limited to pay Bare Foods Co. the sum of **£400**. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 2nd day of March 2021

James Hopkins
For the Registrar