

O/0366/23

TRADE MARKS ACT 1994

**IN THE MATTER OF
TRADE MARK REGISTRATION NO. 3208040
IN THE NAME OF FEMME LUXE FASHION LIMITED
FOR THE MARK:**

Femme Luxe

IN CLASS 25

AND

**THE LATE FILING OF FORM TM8 AND COUNTERSTATEMENT
FILED IN DEFENCE OF THAT REGISTRATION
IN REVOCATION PROCEEDINGS UNDER NO. 505566
BY FINEJAX LIMITED**

Background

1. Femme Luxe Fashion Limited (“the proprietor”) is the registered proprietor of the UK trade mark displayed on the front cover of this decision, under registration number 3208040 (“the proprietor’s mark”). The proprietor’s mark was filed on 22 January 2017 and was registered on 14 April 2017. It stands registered in respect of the term “clothing” in class 25.

2. On 18 November 2022, Finejax Limited (“the applicant”) made an application to revoke the proprietors trade mark pursuant to sections 46(1)(a) and 46(1)(b) of the Trade Marks Act 1994 (“the Act”), and was directed against all the goods of the application.

3. The Tribunal served the Form TM26(N) on the proprietor by email on 30 November 2022. In accordance with rule 38(3) of the Trade Mark Rules 2008 (“the Rules”), the proprietor was informed that it had two months from the date of the official letter in which to file its Form TM8(N) and counterstatement. The pertinent paragraphs of the letter are as follows:

“Please find enclosed a copy of a TM26(N) 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(N) - please note the important deadline below. You will find a blank Form TM8(N) 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 38(3) of the Trade Marks Rules 2008 require that you must file your notice of defence and counterstatement (Form TM8(N)) within **two months** from the date of this letter.

IMPORTANT DEADLINE: A completed Form TM8(N) MUST be received on or before 31 January 2023.

[...]

Rule 38(6) of the Trade Marks Rules 2008 states that **“Where the proprietor fails to file a Form TM8(N) within the period specified in paragraph (3) the registration of the mark shall, unless the registrar directs otherwise, be revoked.”** It is important to understand that **if the deadline date is missed, then in almost all circumstances, the registration will be treated as revoked in whole or part.**” (Original emphasis)

4. However, the proprietor did not file a Form TM8(N) by the prescribed deadline of 31 January 2023. Instead, on this date, the proprietor (through its representatives), filed a TM9 requesting an extension of time to file evidence. On 3 February 2023, the proprietor’s representatives, Barker Brettell LLP, rang the IPO seeking an update on their extension of time request. From the notes on file, during this telephone call, the proprietor’s representative was informed that the TM8(N) had not been filed. On the same day, the proprietor’s representative filed a Form TM8(N), counterstatement, and signed witness statement of Stephen Lowry of Barker Brettell LLP (the proprietor’s representative). The witness statement set out the reasons for the late filing of the TM8(N) which stated (inter alia) as follows:

“The Proprietor missed the 31 January 2023 deadline to file its Notice of Defence and Counterstatement through no fault of its own but rather, due to a clerical error made by me. I was erroneously led to believe that the TM8(N) had already been submitted and instead, that we were in the additional 2-month period granted by the Tribunal to submit evidence of use. I had also communicated this to the Proprietor and all of this is down to a misunderstanding/ misreading of documents on my part.

Indeed, on the 31 January 2023, I drafted and sent lengthy correspondence to the Tribunal requesting an extension on the evidence deadline that I thought we were working towards and clearly set out what had been done, why the

extension was needed and further, why it could not be done within the initial time granted. This letter is set out at Annexure SL01”¹

5. On 15 February 2023, the Tribunal informed the parties that it was the preliminary view of the Registrar that the proprietor’s Form TM8(N) and counterstatement should be admitted into proceedings. The parties were advised that, if they disagreed with the preliminary view, a hearing should be requested on, or before, 1 March 2023. The relevant paragraphs of that letter are as follows:

“I refer to the late form TM8, witness statement and supporting document filed by the applicant on the 3 February 2023. The Form TM9 filed 31 January 2023 is noted and as deemed unnecessary the fee has not been taken. The contents of the witness statement and supporting documents have been considered. It is the preliminary view of the Registry that the reasons provided are sufficient for the Registrar to exercise its discretion and allow the form TM8 into these proceedings.

In reaching this decision the Tribunal has considered that admitting a defence filed 3 days after the deadline will have no real prejudice to the cancellation applicant. Whereas, not allowing the registered proprietor an opportunity to defend its property, because of an administrative error by its Attorney, would be a disproportionate response and contrary to the principles of natural justice. A period of 14 days, that is on or before 1 March 2023 has been allowed for the cancellation applicant to challenge the above preliminary view.

If no challenge is received the preliminary view will be conformed and the registry will proceed to examine the form TM8.”

6. On 1 March 2023, the applicant filed a notice of objection to the late filing of the TM8(N). However, this was overlooked by the Tribunal, who erroneously wrote to the parties on 6 March 2023, informing them that as no response was received, the late filed TM8(N) had been accepted into proceedings in accordance with the preliminary

¹ Witness statement of Stephen Lowry, paragraphs 7 and 8

view. On the same date, the Tribunal became aware of the objection, and consequently, a hearing was set for 29 March 2023, to discuss the admissibility of the Form TM8(N) and counterstatement.

The hearing

7. A joint hearing took place before me by telephone conference on 29 March 2023. At the hearing, Mr Andrew Marsden of Wilson Gunn appeared for the applicant, while the proprietor was represented by Stephen Lowry of Barker Brettell LLP. Neither party filed skeleton arguments in advance of the hearing, nor were the parties required to do so.

8. At the hearing, Mr Lowry outlined the relevant statutory and caselaw provisions, focusing on the factors to be considered when determining whether to grant discretion, as set out in *Music Choice Limited*.²

9. Mr Lowry reiterated that the deadline for filing the defence was missed due to a clerical error by the proprietor's legal representative. He explained that the exact nature of the clerical error resulted from a junior member misreading/misinterpreting the letter from the Tribunal. Consequently, it was believed that the deadline related to the filing of evidence, rather than the filing of a defence. The deadline was then input onto the system as such, which was relied upon by Mr Lowry, and, as a result, he worked with his client to obtain evidence believing that 31 January 2023 was the evidence deadline. Mr Lowry also candidly explained that due to the number of cases he dealt with, he genuinely believed that a defence had already been filed in this case and did not realise otherwise. It was submitted that this was evident from the correspondence on 31 January 2023, whereby the proprietor's representatives submitted a TM9 application (an extension of time request), for what it believed was the evidence deadline. It was highlighted that this application was a detailed application that involved a fee, arguing that it would have been significantly easier to complete the TM8(N) and counterstatement which merely requires the proprietor denies or accepts grounds set out in the notice of revocation. Mr Lowry stated that this

² [2005] RPC 18

was not a case whereby the deadline passed without any documentation being submitted at all, nor was it a case where a deadline had been forgotten and left totally unaddressed. Indeed, work was carried out in relation to progressing the case which was communicated to the Tribunal on the day of the deadline. Moreover, it was explained that following this error, the firm has introduced a new procedure where a second check takes place to avoid a repeat of this situation in future, stressing that this was the first time this had happened.

10. Mr Lowry also sought to rely on Rule 3(2) of the rules, which is set out below:

“Except in relation to Forms TM6 and TM7A, a requirement under this rule to use a form as published is satisfied by the use either of a replica of that form or of a form which is acceptable to the registrar and contains the information required by the form as published and complies with any directions as to the use of such a form.”

11. The proprietor argued in the alternative, in accordance with this rule, all of the information required when filing the Form TM8(N) was present in the letter submitted with the extension of time application on the day of the deadline, and to that extent there was no delay in filing the defence. Mr Lowry took me through the documents and cross referenced the information sought under the Form TM8(N) against the information within the submitted documentation. He submitted that, as such, this was in a format which is acceptable to the Registrar, and contains the information required and is compliant with the information requested under the Form TM8(N). However, later in the hearing, in reply to Mr Marsden’s submissions, Mr Lowry clarified that the argument was not that the documents, submitted on 31 January 2023, were a replacement for a TM8(N), merely that all the information required was in those documents. Before the end of the hearing, I clarified this point with Mr Lowry to ensure that I understood his submission. Based on this final clarification, I understand Mr Lowry’s submission to be that the documents submitted on 31 January 2023, having all the information required on a Form TM8(N) shows a clear intention by the proprietor that it intended to defend the mark, which should be taken into account when considering the circumstances surrounding the missed deadline; a factor under the

caselaw. Rather than a submission that the document's submitted on 31 January 2023 should be accepted and admitted in place of the late filed TM8(N).

12. Turning to the second and third *Music Choice Limited* factors, Mr Lowry submitted that the allegations against the proprietor for non-use were not true. He argued that the proprietor should have the opportunity to defend the case against it, especially given the significant background between the parties. He stressed that if the defence was not admitted into proceedings the applicant would win on a technicality, the result of which would mean that the proprietor loses the registration of its mark. Furthermore, it was argued that if this happens, the proprietor's other *Femme Luxe* marks would be subject to attack by the cancellation applicant. It was advanced that this would be extremely unjust to the proprietor, who, itself was not at fault for the late filing, and who would suffer severe commercial consequences. Mr Lowry also mentioned during the hearing that there were current proceedings based on related marks before the parties in the UKIPO.

13. In relation to possible prejudice to the applicant, it was submitted that there was none, not least because the delay was minimal (three days), but also because the only consequence to the applicant is that it will have to continue to maintain an application that it initiated.

14. Mr Lowry addressed case number BL O/758/22, (relied upon by the applicant in its notice of objection), outlining what he described as "significant noticeable differences" between the circumstances in these cases. Firstly, he argued, in that case, the proprietor was unrepresented when a letter, dated 20 April 2022, setting the deadline was served. As a result, the proprietor itself, would have been aware of the deadline from the beginning of the defence period. Secondly, there was a clerical error by the Tribunal which resulted in an additional letter being served on the proprietor reiterating the deadline and its purpose. It was emphasised that only on 8 June 2022 did the Tribunal receive an email from Wilson Gunn confirming that they had been appointed as the proprietor's legal representatives, where again another letter was sent from the Tribunal confirming the deadline for filing a defence. Evidently, the proprietor in this case knew throughout that they were required to file a defence and did nothing from 20 April 2022 to 8 June 2022, when a representative was appointed.

Mr Lowry contrasted this with the case before me, where the proprietor is said to have been collecting evidence of sales and advertising throughout, alongside obtaining witness statements from previous customers. On this point, Mr Lowry concluded that here the proprietor was not at fault, having sought legal representation from the start, and acting upon the instructions of its representatives. Whereas in the case relied upon by the applicant, the missed deadline was a result of the proprietor's own inaction, indecisiveness, and late instructing of their legal representative. Mr Lowry emphasised, at length, that in this case the proprietor did not make the mistake itself and, accordingly, it would not be just for the proprietor to suffer due to a mistake that it did not make.

15. In response, Mr Marsden commented on the timing of the detailed explanation provided by Mr Lowry at the hearing, stating that this should have been in Mr Lowry's witness statement. Mr Marsden suggested that to support the explanation, a witness statement should have been provided by the junior member of team, verifying exactly what happened. Mr Marsden also pointed to paragraph 7 of Mr Lowry's witness statement, where it says, "due to a clerical error made by me", arguing that this differs from the account given at the hearing, i.e. that a junior member of the team made the mistake when noting the deadline on the system. Mr Marsden submitted that Mr Lowry was responsible for adhering to the deadline and remained critical of Mr Lowry throughout his submissions, asserting that the precise reasoning for the mistake kept changing. He emphasised that the deadline for filing the defence is not extendable, and that there needs to be extenuating circumstances to allow discretion for it to be admitted. The crux of Mr Marsden's case was that the reasons put forward by Mr Lowry did not amount to extenuating circumstances or compelling reasons, referring to the *Kickz AG*³ case.

16. Addressing Mr Lowry's submissions in relation to rule 3(2) of the Rules, Mr Marsden disputed that this rule allowed for documents, such as those filed on behalf of the proprietor, to be treated as a defence. Instead, Mr Marsden argued that the rule was simply to allow a defence to be accepted in circumstances where the official Form TM8(N) was not used, but in its place, documents were filed which were clearly headed

³ *Kickz AG v Wicked Vision Limited* ("Kickz"), BL/O/050/12

or referred to as the defence/counterstatement and, addressed the necessary points as indicated on the Form TM8(N).

17. Relying on case number BL O/758/22, (discussed above) it was emphasised that in that case, the defence was filed merely one day after the deadline. This resulted in the Tribunal's refusal to admit the defence into proceedings, and consequently, the proceedings were ended.

18. In reply, Mr Lowry rejected Mr Marsden's submission that his account was continually changing. On the contrary, Mr Lowry stated his account was consistent and factual, reiterating that there was a clerical error. He explained that, as a team, a mistake made by one member consequently led to his mistake in missing the deadline. During Mr Lowry's submissions in reply, he asked if he could admit into proceedings an additional case which he relied on. Having enquired into the nature of the case and the reasons for relying on it, he explained that it concerned the filing of a late defence and discusses the intention of the party filing the defence when considering whether to exercise discretion or not.

19. Turning to Mr Marsden for his view, he objected to the admittance of the caselaw at this late stage.

20. I confirmed that if Mr Lowry cited the case and provided it to the Tribunal within two days of the hearing, I would determine after the hearing whether or not it would be admitted into proceedings. Mr Lowry cited the case (BL O/540/22) at the hearing and explained its facts and outcome. Nevertheless, having checked the file, this decision was not provided to the Tribunal within two days of the hearing, or indeed at all. Therefore, I will not consider this case when reaching my decision.

21. Having requested the right to reply given the further information provided by the proprietor, I allowed Mr Marsden a brief response. Mr Marsden reiterated that the deadline was not extendable, save for extenuating circumstances which he argued were not present in this case.

22. Before the conclusion of the hearing, I explained that the evidence rounds would be reset if I decided that the TM8(N) should be admitted into proceedings.

23. In the event that the TM8(N) was not admitted into proceedings, I requested submissions on costs. Both parties confirmed that they would request costs on the standard scale at the end of the proceedings.

DECISION

24. The filing of the Form TM8(N) and counterstatement in revocation proceedings is governed by rule 38 of the Rules. The applicable parts to these proceedings read as follows:

“38. -(3) The proprietor shall, within two months of the date on which he was sent a copy of Form TM26(N) by the registrar, file a Form TM8(N), which shall include a counter-statement.

(6) Where the proprietor fails to file a Form TM8(N) within the period specified in paragraph (3) the registration of the mark shall, unless the registrar directs otherwise, be revoked.”

25. The combined effect of rules 77(1), 77(5) and Schedule 1 of the Rules means that the time limit in rule 38, 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.

26. 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 revocation is if I exercise in it's favour the discretion afforded to me by the use of the words "unless the registrar directs otherwise" set out above in rule 38(6).

27. In approaching the exercise of discretion in these circumstances, I take into consideration the decisions of the Appointed Person in *Kickz AG v Wicked Vision Limited* ("*Kickz*")⁴ and *Mark James Holland v Mercury Wealth Management Limited* ("*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.

28. In *Music Choice Ltd's Trade Mark* ("*Music Choice*"),⁶ the High 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, addressing each factor below in turn, and referring to the parties' submissions to the extent I consider necessary.

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

29. The proprietor's representative accepts that it received the registry's letter dated 30 November 2022. However, admits to erroneously recording the deadline date as the date for filing evidence rather than the date for filing the defence on its system. It appears that this mistake was due to the letter being misread/misunderstood by a junior member of staff who was responsible for inputting the date onto the system. The fact that Mr Lowry filed an application for an extension of time to file evidence supports his explanation. On the same day that Mr Lowry found out about the mistake (3 February 2023), when he called the IPO to obtain an update on his TM9 application,

⁴ BL/O/035/11

⁵ BL/O/050/12

⁶ [2005] RPC 18

he proceeded to file the late TM8(N) and counterstatement, alongside a witness statement and copy of the letter accompanying the TM9 as proof of his belief that this case was at the evidential stage. Accordingly, the TM8(N) was filed 3 days late. A mistake, I am informed, that is unlikely to occur again as the deadlines are now checked twice when they are entered onto the firm's system.

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

30. The application for revocation of the proprietor's mark is based upon allegations of non-use and is brought under sections 46(1)(a) and 46(1)(b) of the Act. Whilst it is not for me to determine the merits of the case at present, there is nothing to suggest that the application is without merit, and the case will require the filing of cogent evidence.

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

31. Should the defence be admitted into proceedings, the proprietor will be 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.

32. If, however, the defence is not admitted into proceedings, there would, clearly, be serious consequences for the proprietor as its registration will be revoked in full; though that is always the case where the Tribunal makes an adverse decision because of a failure to file a defence in time.

Any prejudice caused to the applicant by the delay;

33. The applicant has not identified any prejudice that it has been caused, neither do I consider there to be any prejudice to the applicant beyond the delay of three days which has already occurred.

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

34. The parties were involved in earlier opposition proceedings involving the same marks, and although the outcome of those proceedings is not necessarily relevant to the outcome of this decision, it does suggest that the proprietor would have an interest in defending the mark that it had recently successfully registered. Therefore, it should have come as no surprise to the applicant that the proprietor intended to defend the application to revoke its mark. Furthermore, there are current proceedings involving the parties and/or related parties where the outcome of this decision will have an impact on those future decisions.

Considerations

35. In reaching my decision, I consider that if discretion is not exercised in the proprietor's favour, the applicant will automatically succeed, and the proprietor's mark will be revoked, removing it from the register. However, as discussed above, I acknowledge that this is often the consequence of a failure to comply with the non-extensible deadline to file a form TM8(N). Therefore, this factor is not, in my view, determinative in isolation.

36. I take account of the circumstances that caused the late filed defence. Overall, I accept that the TM8(N) was filed late as the proprietor's representative held the genuine, although misguided, belief that 31 January 2023 was the deadline for filing evidence, rather than a defence. As such, the deadline was missed due to genuine human error. This is apparent from the filing of the TM9 extension of time request made on the day of the deadline. It is not that the proprietor, or their representatives, sat idle on the case. Indeed, it appears that extensive work had been carried out to gather evidence in order to defend the registration. Notably, whilst I acknowledge that the proprietor's defence was filed three days after the original deadline, which is not too long after the deadline itself, records show that the applicant acted expeditiously once it became aware that the deadline had been missed, filing the TM8(N) promptly on the same day. I also acknowledge that the proprietor's representative have a system in place to enable them to meet deadlines, and on this occasion, human error resulted in the missed deadline. Furthermore, the parties (or related parties) are involved in other proceedings, and the outcome of this decision could have a direct

impact on those proceedings involving a related mark. As such, in the circumstances it could prove prejudicial to the proprietor for this mark to be revoked on what can fairly be described as a technicality, rather than on its merits. The applicant did not identify any significant prejudice it would suffer as a result of the delay, nor do I consider there to be any.

37. Taking all of the above into account, I am satisfied that the discretion provided under rule 38(6) should be exercised in the proprietors favour as the late filing appears to be the result of a genuine mistake as to the purpose of the deadline. A mistake that I am assured is unlikely to take place again given the additional checks in place as a consequence of this missed deadline. I consider this to constitute extenuating circumstances that will not be repeated given the new measures in place.

CONCLUSION

38. The consequence of the above finding is that the applicant's form TM8(N) and counterstatement will be admitted into the proceedings and assessed accordingly. Providing no anomalies are identified, it will then be formally served upon the opponent and a timetable will be set for the filing of evidence.

COSTS

39. As I have admitted the applicant's defence into the proceedings and the opposition is allowed to continue, costs will be considered at the final determination of the case.

Dated this 17th day of April 2023

Sarah Wallace
For the Registrar