TRADE MARKS ACT 1994

IN THE MATTER OF A REQUEST
BY SPORTSLINE USA INC FOR RECTIFICATION
OF AN IRREGULARITY IN PROCEDURE IN THE FILING
OF NOTICE OF OPPOSITION TO APPLICATION NO 1529089
FOR REGISTRATION OF THE MARK



IN THE NAME OF INTERACTIVE MEDIA SERVICES LTD

TRADE MARKS ACT 1994

IN THE MATTER OF a request by Sportsline USA Inc for rectification of an irregularity in procedure in the filing of notice of opposition to an Application for registration of a mark (No 1529089) in the name of Interactive Media Services Ltd

At an interlocutory hearing on 27 May 1998, I refused a request by Sportsline USA Inc to change the status of a mark on the register from REGISTERED to OPPOSED. As a consequence of my decision, registration **m** 1529089 remains on the register of trade marks and the notice of opposition to application **m** 2115502 filed on 8 April 1997 cannot be accepted as having been properly filed.

I am now asked under rule 56(2) of the Trade Marks Rules 1994 to provide a statement of the reasons for my decision.

15 Background

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Interactive Media Services Ltd applied on 11 March 1993 to register the mark RAPID SPORTSLINES in the form shown below in class 41 in respect of "Information and entertainment services all relating to sport; all included in Class 41."



The application was given the number 1529089, and was published for opposition purposes on 8 January 1997. Although the application was filed prior to the entry into force of the Trade Marks Act 1994, rule 67 of the Trade Marks Rules 1994 sets the period within which notice of opposition may be filed at three months, and also determines that the period shall not be extendible. On 8 April 1997, exactly three months after application m 1529089 had been published, Sportsline USA Inc filed a Notice of Opposition on Form TM7 and a Statement of Grounds. The Form TM7 (Notice of Opposition) indicated application m 2115502, although the Statement of Grounds attached to the form referred to application m 1529089. Because the Form TM7 indicated application m 2115502, no action was taken to prevent application m 1529089 from proceeding to registration, and it became registered on 25 April 1997.

The mistake on the Form TM7 appears to have come to light in the course of telephone conversations and correspondence between Registry staff and the agents acting for the would-be opponent some time around 6 May to 9 May 1997. It has since been established that the application which was incorrectly identified on the Form TM7 belongs to Sportsline USA Inc (the would-be opponent).

Following an explanation from the agents acting for the would-be opponent, the Registrar indicated in a letter dated 27 May 1997 that he proposed to admit the Notice of Opposition against application **m** 1529089 and order that the status of this mark be changed on the register from REGISTERED to OPPOSED. The agents acting for the applicant objected to this decision and invoked their statutory right to be heard.

The matter was initially set down for an interlocutory hearing on 23 July 1997, but at the request of the parties the hearing was postponed to enable them to discuss a settlement of the underlying dispute which would have dispensed with the need for a hearing. Four subsequent hearing dates were also postponed for similar reasons.

10 Decision

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Eventually, the hearing went ahead on 27 May 1998. The would-be opponent was represented by Miss Fiona Clark of Counsel, instructed by The GSCP Partnership. The applicant did not attend and was not represented, although I was able to consider written submissions contained in a letter (dated 11 March 1998) from the agents acting on their behalf - Appleyard Lees.

As previously stated, application **m** 1529089 was filed prior to the entry into force of the Trade Marks Act 1994. Thus any opposition proceedings would have been dealt with under the old law in accordance with paragraph 10 of schedule 3 to the 1994 Act. However, in an appeal to the High Court by INTERLEGO AG, Mr Justice Neuberger found that the combined effect of rules 1 and 69(1) of the Trade Marks Rules 1994 (the "new rules") was to repeal the Trade Marks and Service Marks Rules 1986 (the "old rules") without qualification and to replace them with the new rules. Thus although these proceedings would have been dealt with under the old law if Ms Clark had succeeded, there was no suggestion at the hearing that I should consider rule 121 of the old rules instead of its counterpart in the new rules — rule 60.

In my view, the issues to be decided in this case were almost identical to those in the DUCATI Trade Mark case which has since been reported. See [1998] RPC 7 at page 227.

The DUCATI Case

In DUCATI, the wrong application number was shown on the Form TM7 (Notice of Opposition). The original application had been divided, and the two new applications were given the numbers 2055227A and 2055227B. The first of these, **m** 2055227A, had been published but the second had not. A third party, intending to oppose application **m** 2055227A, filed notice of opposition on Form TM7 within the period allowed. The Form TM7 (Notice of Opposition) that was received in the Registry indicated application **m** 2055227 which no longer existed at that time. Before the mistake could be corrected, eg using rule 60 of the Trade Marks Rules 1994, the divided application **m** 2055227A proceeded to registration. Following a hearing in Ducati, the Registrar found that opposition to application **m** 2055227A was not validly filed and that this was due to one or more irregularities in procedure in or before the Office or the Registrar. However, having regard to the fact that the application in question had already proceeded to registration, the

Registrar decided that he did not have the power to rectify such irregularities in accordance with rule 60.

I do not overlook the fact that trade mark **m** 1529089 was registered in accordance with section 19 of the Trade Marks Act 1938 (as amended) and **not** section 40 of the Trade Marks Act 1994, and that in this respect the facts in the present case may be distinguished from those in DUCATI. Nevertheless, the decision in DUCATI makes it clear that rule 60 cannot be used to take a registered mark off the register. Since the vires for rule 60 comes from the 1994 Act, I do not see how the rule can have greater effect in relation to proceedings continuing under the old law than it can in relation to proceedings under the new law. In any event, on 25 April 1997 trade mark **m** 1529089 became an existing registered mark (paragraph 10(1) of schedule 3) and must have effect (subject to the provisions of that schedule) as though it were registered under the 1994 Act.

Miss Clark drew my attention to a further decision (unreported) of the Registrar in The matter of an interlocutory hearing in relation to a request by Ty Nant Spring Water Limited to have mark 2001526 in the ownership of St Kea of Cornwall Limited removed from the register of trade marks on the basis that it had been registered in error. The decision in the ST KEA case was issued on the same day as the DUCATI decision, and has been given the SRIS number O/150/97.

The ST KEA Case

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In ST KEA, the Registrar decided that he had acted ultra vires when he registered trade mark **m** 2001526 and he ordered that the mark be removed from the register and the status of the mark amended to OPPOSED. In reaching this conclusion in ST KEA, the hearing officer considered that there had been a validly filed opposition to application 2001526 at the time the mark was allowed to proceed to registration. This was clearly contrary to section 40 of the Trade Marks Act 1994, and he considered that consequently the registration was void and of no effect.

I accepted at the hearing before me on 27 May that it was not easy to rationalise these apparently conflicting decisions, issued on the same day. For the purpose of my decision in the matter before me, I distinguished between the two earlier decisions according to whether or not a validly filed Form TM7 (Notice of Opposition) had been received in the Office **before** the application became registered. If there had been a validly filed Form TM7 (Notice of Opposition) **before** registration took place, then the act of registering the mark could be described as ultra vires.

In the present circumstances, the facts are not in dispute. As in DUCATI, I accepted that there had been one or more irregularities in procedure in or before the Office or the Registrar. The original error, the incorrect application number on the Form TM7 (Notice of Opposition), had been made 'before the Office' by the would-be opponent or his agent. This initial error had then been compounded 'in the Office' inasmuch as no-one discovered the mistake in time to prevent the application in question from becoming registered. Again, as in DUCATI, I took the view that the error should have been relatively easy to detect. The number indicated on the Form TM7 (Notice of Opposition) was clearly an error since

application **m** 2115502 had not been published and could not therefore be the subject of opposition proceedings. A brief glance at the attached statement of grounds would have revealed the correct application number, 1529089. Nevertheless, it appeared to me that at the time when application **m** 1529089 became registered (25 April 998), there was no validly filed opposition to the application, and the Registrar had not acted ultra vires in registering the mark.

It is perhaps worth noting at this point that the Form TM7 (Notice of Opposition) was filed on the last possible day of a statutory, non-extendible period. Consequently there would in practice have been no opportunity for a member of staff in the Registry to contact the agent with a view to filing a fresh Notice of Opposition within the period allowed for filing opposition to the application. Neither, for the same reason, would there have been time to correct the mistake on the original form within the statutory opposition period.

Notwithstanding this, I follow here the opinion expressed in DUCATI that, had the application not subsequently become registered, it would have been possible to use rule 60 to rectify the irregularity in retrospect by correcting the Notice of Opposition that had been filed within the opposition period. But the fact remains that application **m** 1529089 was registered on 25 April 1998, and for all the reasons that were given in DUCATI, I do not believe that rule 60 gives the Registrar the power to remove trade mark **m** 1529089 from the register.

In summary therefore, I reached the following conclusions.

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As to questions of fact, I found that opposition to application **m** 1529089 was not validly filed and that this was due to one or more irregularities in procedure in or before the Office or the Registrar.

As to whether or not the Registrar has the power to rectify such irregularities in accordance with rule 60, I have found, having regard to the fact that the application in question has already proceeded to registration, and for the reasons given in the earlier DUCATI decision¹, that he does not.

The status of trade mark **m** 1529089 on the register was changed from REGISTERED to OPPOSED in May 1997 when the Registrar gave his preliminary view on this matter. As a result of my decision, the status must now be returned to REGISTERED as I have found that the mark has in fact been registered continuously since 25 April 1997. That the status of the mark has been incorrectly recorded on the register for so long is regrettable, but it has no bearing on the validity of the registered trade mark during this period. (The status indicator on the register is merely an administrative device which is intended to reflect the true status of a trade mark on the register.)

Under normal circumstances my decision would not be implemented (returning the status of the mark to REGISTERED) until after any appeal process has concluded. Unfortunately it

¹DUCATI Trade Mark [1998] RPC 7 at page 227

was not until **after** the one month period specified in rule 56(2) of the Trade Marks Rules 1994 that the agent acting on behalf of Sportsline USA Inc filed a Form TM5 requesting a statement of the reasons for the decision. At the same time, the agent filed a Form TM9 requesting (retrospectively) an extension of the one month period specified in rule 56(2). By this time, the status of trade mark **m** 1529089 had already been returned to REGISTERED. In a letter from the Registry dated 23 July 1998, the parties were advised that the Registrar proposed to allow the requested extension and admit the Form TM5 upon condition that the status of trade mark **m** 1529089 (in the name of Interactive Media Services Ltd) remains REGISTERED until the conclusion of any appeal that may be filed.

10 The Registrar took this view on the basis that parties to proceedings before him should not, other than in exceptional circumstances, be prevented from seeking a full statement of the reasons for any decision made. In this case, the Form TM5 and accompanying Form TM9 were received only a few days outside the period stipulated in rule 56(2), and a satisfactory explanation for the delay had been provided. The agents acting for the proprietor of the mark were understandably concerned that if the Registrar were to admit the Form TM5 and 15 issue a statement of the reasons for the decision, then the would-be opponent would re-gain a right to appeal the decision, and that this would disadvantage their client, the proprietor. However, in the event of an appeal succeeding, these opposition proceedings would be reinstated at the counter-statement stage, and the parties would be placed in much the same position as if the would-be opponent had brought an action for invalidation against the 20 mark — save that the status of the mark would remain REGISTERED throughout the invalidation proceedings. The condition imposed was thus intended to redress any disadvantage to the proprietor that may arise as a result of extending the rule 56(2) period and admitting the Form TM5. Neither party to the proceedings objected to this course of action, and therefore the status of trade mark m 1529089 is currently REGISTERED at 25 the time this decision is issued.

Dated this 29th day of September 1998

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S J Probert Principal Hearing Officer For the Registrar, the Comptroller-General