

TRADE MARKS ACT 1994

IN THE MATTER OF:

OPPOSITION NO. 44678

IN THE NAME OF LAPPET MANUFACTURING CO. LTD.

TO APPLICATION NO. 2018438

TO REGISTER A TRADE MARK IN CLASS 25

IN THE NAME OF YOSIF ABDULRAHMAN AL-BASSAM TRADING ESTABLISHMENT

DECISION

1. On 24th April 1995 Yosif Abdulrahman Al-Bassam (*“the Applicant”*) applied to register the following mark as a trade mark for use in relation to “articles of clothing for men; footwear; headgear” in Class 25:



It was confirmed under Rule 66 of the Trade Marks Rules 1994 (now Rule 72 of the Trade Marks Rules 2000) that the transliteration of the Arabic script appearing in the middle of the mark is ‘Yosif Al-Bassam’ (the name of the Applicant) and the transliteration of the Arabic script appearing at the bottom of the mark is ‘Sun Inklizi Asli’ meaning ‘Genuine English Manufacture’.

2. The application for registration (*“the Application”*) was advertised under Section 38 of the Trade Marks Act 1994 on 6th March 1996. It was opposed by Lappet Manufacturing Co Ltd (*“the Opponent”*) on the basis of a Notice of Opposition and Grounds of Opposition filed on 4th June 1996.

3. The Opponent objected to registration of the mark in question on relative grounds under Sections 5(2) and 5(4) of the Act and on absolute grounds under Sections 3(1)(a), 3(3)(b) and 3(6) of the Act. For present purposes I need only refer to the objection raised under Section 3(6) of the Act. This was raised in paragraphs 5 and 6 of the Grounds of Opposition in the following terms:

“5. The trademark application in suit should be refused under Section 3(6) of the Trade Marks Act 1994.

6. The applicants for the application in suit have no bona fide intention that it should be used in the UK and are not the true proprietors of the trademark and therefore registration should be refused under the provisions of Section 3 of the Trade Marks Act 1994.”

The Applicant joined issue with the Opponent on the Grounds of Opposition in a Counter Statement filed on 25th September 1996.

4. The Opponent's evidence in support of the Opposition was filed in January 1997. It consisted of a Statutory Declaration of Ian Buchan and one exhibit dated 6th January 1997, a Statutory Declaration of Robert Quick and six exhibits dated 9th January 1997 and a Statutory Declaration of Professor Sayed Amin and two exhibits dated 24th January 1997.

5. Mr. Buchan is the Trade Mark Attorney responsible for the conduct of the Opposition on behalf of the Opponent. In paragraph 9 of a Witness Statement made on 1st February 2001 he confirmed that:

In the period following the filing of this opposition my concerns were primarily to establish to the Registrar's satisfaction that this application had been accepted in error under Sections 5(2) and 5(4) in view of the opponents' prior registered trademark rights and common law rights. At that time, and in the absence of any further instructions or information from the opponents, I perceived that to be the main thrust of the evidence to be filed.

6. I understand from paragraph 15 of this Witness Statement that the Opponent requested extensions of time beyond January 1997 within which to file further evidence in support of its Opposition. The Applicant did not object to the extensions requested by the Opponent, but ultimately no further evidence in chief was filed.

7. The Opponent's evidence in chief raised no case to answer in relation to the objection under Section 3(6) of the Act. The Applicant could, if he wished, have asked for paragraphs 5 and 6 of the Grounds of Opposition to be withdrawn or struck out: cf. Rhone-Poulenc SA's (Ketoprofen) Patent [1989] RPC 570. He did not do so. He simply proceeded to file evidence in answer.

8. The evidence in answer consisted of a Statutory Declaration of the Applicant and two exhibits dated 7th February 1998. Although dated 7th February 1998, they were filed on 16th June 1998. Exhibit YAB1 was a copy of the Applicant's birth certificate. This was produced as justification for the presence of his name in Arabic script in the middle of the mark in issue. Exhibit YAB2 contained copies of pages from the telephone directories for 16 cities in Saudi Arabia. These were produced as confirmation that the surname Al-Bassam is common in Saudi Arabia.

9. The last sentence of the Statutory Declaration set out the Applicant's position in relation to the mark in issue in the following terms: *"I would contend that the distinctive element of the mark is the device and that the Arabic lettering in the mark is purely descriptive material being my name and the Arabic words which would translate into English as meaning 'genuine English manufacture'."* The Applicant's evidence in answer did not to any real extent contradict the evidence that had been filed in support of the Opposition in January 1997.

10. It was open to the Opponent to file a statutory declaration or affidavit *"confined to matters strictly in reply to the applicant's evidence"* under Rule 13(7) of the Trade Marks Rules 1994 (as amended) (now Rule 13(10) of the Trade Marks Rules 2000). Beyond that, neither party was entitled to file any further evidence without the leave of the Registrar under Rule 13(8) of the 1994 Rules (as amended) (now Rule 13(11) of the Trade Marks Rules 2000).

11. As noted in Peckitt's Application [1999] RPC 337 at paragraphs 56 et seq the right to adduce evidence in reply is restricted in the manner noted in the preceding paragraph

for two main reasons. First, the restriction serves to ensure that *“if an opponent has a case he should straight away state what his case is and should put in declarations dealing with any evidence which he thinks may be relevant to that case”* so that the applicant may then have a proper opportunity to answer the case that has been raised against him: Ernest Scragg & Sons Ltd’s Application [1972] RPC 679 at p.682 lines 19 to 22 per Graham J. Second, it helps to secure finality in the pre-hearing procedure: Ford Motor Company Ltd (Nastas’s) Application [1968] RPC 220 at p.225 per Lloyd Jacob J. I think it is clear that evidence is not *“confined to matters strictly in reply”* if it goes into matters that the applicant cannot fairly be said to have addressed in his evidence in answer, whether or not they are matters that the opponent has previously addressed in his evidence in chief.

12. In the present case the Opponent proceeded to file evidence directed primarily to the objection raised in paragraphs 5 and 6 of the Grounds of Opposition filed on 4th June 1996. Some, but not all, of the evidence concerned legal proceedings in Saudi Arabia that had been brought to the attention of the Opponent’s trade mark attorneys in September 1998.

13. It can sometimes be difficult to determine whether evidence is *“confined to matters strictly in reply”*. This was not one of those occasions. The evidence in question plainly did not constitute evidence in reply to the Statutory Declaration of the Applicant. The Opponent should have applied to the Registrar for leave to adduce it under Rule 13(8) of the 1994 Rules (as amended) (Rule 13(11) of the current Rules). It did not do so. The evidence was nevertheless admitted into the proceedings in circumstances which I shall now go on to describe.

14. On 15th March 1999 the Opponent filed a Statutory Declaration of Lindsay Hudson and one exhibit relating to enquiries undertaken in September 1998 with a view to determining whether the Applicant had a trade or business in goods of the kind specified in the Application. This was followed on 18th March 1999 by a Statutory Declaration of Abdulaziz Muhammed Al Saad Alajlan and seven exhibits relating to: use of the trade mark AL-BASSAM in Saudi Arabia and the United Kingdom; the results of certain investigations into the activities of the Applicant; and the progress of certain legal proceedings in Saudi Arabia, including trade mark proceedings involving the Applicant. Both Statutory Declarations were re-executed and re-filed in order to correct deficiencies in the manner of their execution that had been raised by the Registry on initial filing.

15. I understand that the Opponent sought and obtained extensions of time within which to file these Statutory Declarations. I do not know whether the extensions of time were opposed by the Applicant. The Registry placed the Statutory Declarations on file in the proceedings. They were copied to the Applicant's agents in the usual way.

16. The Opponent sought and obtained further extensions of time for the filing of evidence after March 1999. On 13th August 1999 its agents wrote to the Registry in the following terms:

We wish to file further evidence in support of this opposition. We are expecting that evidence to be forthcoming, from a case before the Saudi Arabian Courts, within the next 2 months.

In the event that this extension of time request is refused we hereby request a hearing at which to argue against the decision.

The parties were notified in an official letter dated 20th August 1999 of the Registry's provisional decision to grant an extension of time until 16th November 1999.

17. The Applicant objected to the proposed extension in a letter of 2nd September 1999 which stated:

“We are advised by our client that it is not aware of any case coming before the Saudi Arabian Courts which would have relevance to this matter and that being the case we cannot see the need for a further extension of time”.

A hearing was appointed to consider the Applicant's objection to the extension of time. This was due to take place on 7th October 1999.

18. On 5th October 1999 the Opponent's agents wrote to the Registry and the Applicant in the following terms:

“As a first point we are surprised by the statements made by Langner Parry in their letter of 2 September 1999.

The issue of the court proceedings in Saudi Arabia was well known to them and in particular was referenced in paragraph 10 of the Statutory Declaration executed by Abdulaziz Muhammed Al Sa'ad Alajlan on behalf of the opponents.

We have just obtained the Arabic translations of the original proceedings in Saudi Arabia and have had them translated.

We enclose herewith a copy of a Statutory Declaration, executed today, along with the copies of the decisions and their translations.

In addition the Registrar will be aware, from previous correspondence, that we are taking Counsel's advice on the preparing and filing of the evidence in support of this opposition. In view of the short time scale, (we only got the translations this morning), we will be unable to obtain Counsel's advice on this matter before 7 October 1999. We

would, therefore, be grateful if the Registrar would grant a further extension of time beyond 7 October 1999 to 7 November 1999 for the preparation and filing of any further evidence that Counsel may advise having considered these decisions.

By way of this letter we invite the applicants' attorneys to withdraw their request for the Hearing on 7 October 1999".

The enclosure to the letter was a Statutory Declaration of Ian Buchan and one exhibit dated 5th October 1999 relating to the trade mark proceedings involving the Applicant that had been taking place in Saudi Arabia.

19. The hearing set for 7th October 1999 was adjourned. On 12th October 1999 the Applicant's agents wrote to the Registry and the Opponent stating:

We refer to the Hearing which was scheduled for 7th October 1999 but which was postponed. We now have our clients instructions that they are prepared to agree to an extension of time for the opponents to file their further evidence until 7th November 1999 as referred to in their letter of 5th October 1999. We have been asked to place on record that if any further extension request is made then the Applicants would object to such extension being granted.

The agreed extension to 7th November 1999 was subsequently confirmed by the Registry. On 21st October 1999 the Opponent's agents wrote to the Registry and the Applicant indicating that its further evidence was complete. The Registry replied to the Opponent on 25th October 1999 noting "*that you have completed all your 13(7) evidence*" and indicating that a hearing to determine the Opposition would be appointed in due course.

20. Thus, the position at the end of October 1999 was that the three Statutory Declarations submitted by the Opponent in and after March 1999 had been placed on file

in the proceedings as evidence in reply under Rule 13(7) of the 1994 Rules (as amended). The Applicant's agents had received and accepted the Statutory Declarations without objection or complaint as to their admissibility in the absence of permission from the Registrar under Rule 13(8) of the 1994 Rules (as amended). Moreover, the Applicant had expressed no desire to reply to the evidence given in the Statutory Declarations which had been placed on file.

21. The hearing to determine the Opposition was set for 8th December 2000. On 13th September 2000 the Opponent applied to the Registrar for a direction requiring the Applicant to attend and be cross-examined at the hearing. It was indicated in a letter of 3rd October 2000 that the Opponent wished to question the Applicant in relation to the matters raised in the Statutory Declarations it had belatedly filed in relation to paragraphs 5 and 6 of its Grounds of Opposition. This was reiterated in a letter of 16th October 2000.

22. The Applicant resisted the application for cross-examination on the basis that ***“we do not believe that there is any need for cross-examination on the evidence that has been filed”*** (letter of 27th September 2000) and it would be disproportionate to make an order for attendance and cross-examination of the Applicant ***“given that there is clear written evidence from both sides upon which we believe it is perfectly possible for the Registrar to come to a decision”*** (letter of 5th October 2000). The Applicant thus indicated that he, no less than the Opponent, wished to have the Opposition determined in accordance with the evidence in the Statutory Declarations filed on both sides.

23. The Registry notified the parties in an official letter of 2nd October 2000 that the Registrar had reached the preliminary view that the request for cross-examination should

be refused, but would be prepared to reconsider the matter if “*further reasons were provided as to why you believe the applicant’s evidence is contradictory*”. Although the Opponent requested a hearing, it decided in November 2000 to accept the Registrar’s preliminary decision.

24. Approximately 8 days before the date set for the substantive hearing of the Opposition, the Applicant informed the Opponent that he objected to the evidence tendered in the three Statutory Declarations ostensibly filed under Rule 13(7) of the 1994 Rules (as amended) on the ground that the evidence was not “*confined to matters strictly in reply*”.

25. This objection was well-founded, but late and inconsistent with the Applicant’s apparent acceptance of the *status quo ante* as noted in paragraphs 20 and 22 above. It represented a considerable departure from the practice envisaged in Chapter 15 of the Trade Marks Registry Work Manual:

“Evidence filed under Rule 13(6) must be strictly in reply to the claims or allegations made in the evidence filed by the applicant. If the applicant claims that the evidence does not restrict itself to answering the points raised in their evidence, it cannot be admitted until the matter has been resolved. In such circumstances the applicant should be asked to provide details of where the evidence goes beyond being in reply

If after giving the opponent the opportunity to consider the allegations they maintain that the evidence is replying to allegations made in the applicant’s evidence, unless the objection is withdrawn it will be necessary for an interlocutory hearing to be appointed. *The matter cannot be left for decision at the main hearing as the arguments over this procedural matter are likely to complicate and cloud the issues*” (emphasis in the original).

The present case provides a textbook example of the desirability of adhering to this practice.

26. The Opposition came on for hearing before Mr. M. Knight, Principal Hearing Officer, on 8th December 2000. The question whether the Opponent's 'evidence in reply' should be excluded was considered as a preliminary issue. I should say at once that although the Principal Hearing Officer heard argument on behalf of the parties, he was apparently not addressed to any or any significant extent upon the facts and matters I have set out in some detail in paragraphs 16 to 23 above: see page 60 of the Transcript of the hearing before me.

27. In his decision the Principal Hearing Officer twice described the Applicant's objection as 'technical'. By that I think he meant that the Applicant had not been prejudiced by the Opponent's failure to abide by the Rules. He none the less considered that the Rules upon which the objection was based "*had to be applied, whatever their merits or demerits*".

28. On the footing that the evidence in question was not evidence in reply, he proceeded to consider whether it should be admitted in the exercise of the Registrar's discretion under Rule 13(11) (Rule 13(8) of the 1994 Rules as amended). He considered that it would not be right to admit the evidence under that Rule "*without very good and sound reasons*" for doing so.

29. He regarded the lateness of the Applicant's objection to the filing of the evidence in question and the lateness of the Opponent's request for the evidence to be admitted in the exercise of the Registrar's discretion as factors of equal opposite significance: "*So in*

these respects I could say it was a ‘no score draw’ and therefore we go on to consider the other aspects”. So far as I can see, the practical effect of this approach was to paper over the events which had occurred in the context of the proceedings during the period (more than 12 months) spanned by the parties’ delay in ventilating the issue of admissibility of evidence. This reflected the absence or near absence of argument as to the significance of those events. It did not constitute a decision on the part of the Principal Hearing Officer that those events should be dismissed as irrelevant.

30. The Principal Hearing Officer considered that the practice of the High Court in relation to applications for permission to adduce further evidence on appeal from the Registry under Section 76 of the Act (as to which see, most recently, the judgment of Pumfrey J in Wunderkind TM [2002] RPC 45, p.923 and the judgment of Lawrence Collins J. in Label Rouge TM [2002] EWHC 190 (Ch) 18th February 2002) provided a pointer to the way in which the discretion to admit further evidence under Rule 13(11) should be exercised.

31. Moving forward on that basis, he concluded that the evidence in question should be excluded from the proceedings having regard, in particular, to: (i) the lateness of the Opponent’s request for the evidence to be admitted; (ii) the fact that the evidence related (with some exceptions) to matters which could and should have been addressed in the Opponent’s evidence in chief; (iii) the absence of any satisfactory explanation as to why those matters had not been addressed in chief; (iv) the fact that the dispute was essentially a dispute as to title between two private parties; (v) the opportunity for other proceedings to be pursued in relation to the matters arising; and (vi) the view that evidence which was not *“confined to matters strictly in reply”* should not be admitted under Rule 13(11)

without very good and substantial reasons and that it was not sufficient for that purpose to say that further proceedings are likely to ensue if the evidence is not allowed in.

32. Having delivered his decision on the issue of admissibility, the Principal Hearing Officer adjourned the hearing of the Opposition pending the outcome of an appeal by the Opponent against the exclusion of its 'evidence in reply' under Rules 13(10) and 13(11) (Rules 13(7) and 13(8) of the 1994 Rules as amended).

33. My decision at the conclusion of the hearing of the Opponent's appeal was as follows:

- (i) the appeal was allowed;
- (ii) the Applicant was allowed 3 calendar months from the date of the hearing within which to file evidence in response to the three Statutory Declarations submitted by the Opponent in and after March 1999, if so advised;
- (iii) the Opponent was required to apply to the Registrar for permission to file any evidence that it might wish to adduce in reply to the evidence that might be tendered on behalf of the Applicant;
- (iv) the costs of the appeal were to be treated as costs of the Opposition and the question of how and by whom they were to be borne and paid was reserved for determination by the Registrar at the substantive hearing of the Opposition.

34. I decided upon that course of action because I considered that the Principal Hearing Officer had erred in his approach to the determination of the issue of admissibility and in doing so had omitted to give due weight to the events noted in paragraphs 16 to 23 above.

35. When, as in this case, evidence which is not “*confined to matters strictly in reply*” is filed without the permission of the Registrar, there is an “*irregularity in procedure*” which “*may be rectified on such terms as the registrar may direct*” under Rule 66 of the Trade Marks Rules 2000. The evidence remains filed, but since the filing was irregular the position of the party who wishes to rely on it remains precarious.

36. If the parties choose to ignore the irregularity, they may be taken to have tacitly agreed that the evidence can be taken into account and given such weight as the Registrar might think fit in the context of the evidence as a whole. I do not think it is obligatory for the Registrar, in a case where both parties are apparently willing for the evidence in question to be taken into account, to exclude it from consideration of her own motion. In my view, the Registrar can rectify the irregularity under Rule 66 by accepting the position adopted by the parties, thereby implicitly agreeing to the filing of the evidence under what is currently Rule 13(11). The giving of permission under that Rule does not appear to me to be something that can only be done explicitly pursuant to a formal request. I see no reason to believe that the Rule was intended to give rise to the inconvenience and uncertainty that would be liable to ensue, at first instance and on appeal, if the Registrar’s permission could not be inferred in appropriate circumstances.

37. If there is an objection to the irregularity, it becomes necessary for the Registrar to consider whether the irregularity should be rectified and, if so, upon what terms. The determination has to be made with due regard for the circumstances prevailing at the time of the objection. It is inherent in the existence of the irregularity that there has been a departure from the orderly presentation of evidence envisaged by the Rules. The question is what should be done about it. More specifically, should dispensation be granted under Rule 13(11) so as to permit the evidence in question to be taken into account?

38. The filing of additional evidence under Rule 13(11) requires leave so that the Registrar can be satisfied that an extension to the expired timetable for the filing of evidence in the prescribed sequence should be granted in the particular circumstances of the case in hand. The Rule specifically envisages that leave may be given “*at any time*”. The burden of persuasion is clearly upon the party asking for the indulgence. The position adopted by the opposite party may well have a bearing on the answer to be arrived at. In a case such as the present, where rectification of a procedural irregularity is required, I think it is necessary to consider: (1) the materiality of the evidence in question to the issues that the Registrar has to determine; (2) the seriousness of the irregularity which the Registrar is being asked to rectify; and (3) the justice and fairness of subjecting the opposite party to the burden of the evidence in question at that stage of the Registry proceedings. These are matters of degree. Over and above that, a judgment must be made as to their relative weight in the context of the given case.

39. Consideration of these matters may result in leave for the filing of evidence under Rule 13(11) that would not be admitted if it was being tendered for the first time on appeal to the High Court. That is entirely consistent with the overriding objective of

enabling the Registrar to deal with cases justly. It also accords with the policy underlying the restrictive approach to the admissibility of fresh evidence on appeal which, as pointed out by Laddie J. in Dualit Ltd v. Rowlett Catering Appliances Ltd [1999] FSR 865 at 870, is intended to promote effective decision taking at first instance:

“... proceedings before the Registry are not a dry run to test out the evidence to see which parts can be criticised so that the evidence can then be perfected for the purpose of the proper run before the High Court. It is important for parties to realise that the function of the Registry is to examine applications and to consider oppositions, and that they must put before the Registry the material which is to be relied upon in support of their cases. In my view, it is just as important that it is brought home to litigants that they must put the best evidence available to them before the Registry as it is to ensure that the appeal is a fair resolution of the dispute between the parties.”

40. In relation to the first of the considerations I have identified above, it is clear and I do not understand it to be disputed that the evidence in question in the present case materially supports the objection raised in paragraphs 5 and 6 of the Opponent’s Grounds of Opposition. It appears to present the Applicant with a pointed case to answer in that connection.

41. In relation to the second consideration, I think it is right to say that the irregularity which the Registrar was being asked to rectify was a serious irregularity. It was serious in the sense that the additional evidence filed by the Opponent covered a large amount of new ground, did so at some length and could to a substantial extent have been filed as part of its evidence in chief if the necessary effort had been made at that stage of the proceedings. It was also serious in the sense that the filing of the evidence without leave

amounted, in substance and reality, to an attempt to present the Applicant and the Registrar with a *fait accompli*.

42. I do not approve of that approach and no amount of evidence and submissions referring to the procedural laxity that has, at times in the past, occurred in Registry proceedings will persuade me that the Opponent's failure to seek leave for the filing of the additional evidence should be treated as an irrelevance. I do not think that if leave had been requested at the time and the Applicant had opposed the request, the outcome of the application would have been a foregone conclusion. There was, indeed, cause for concern at the way in which the Opponent had approached its obligations with regard to the filing of evidence under Rule 13. However, the seriousness of the irregularity it wished the Registrar to rectify at the hearing on 8th December 2000 still needed to be considered in conjunction with the first and third of the considerations identified above.

43. In relation to the third consideration, I am firmly of the view that the magnitude of the procedural shortcomings on the Opponent's side of the case was also the measure of the magnitude of the Applicant's acquiescence in those shortcomings during the long period which elapsed between the filing of the evidence in question and the objection to its admissibility. As I have already observed, the Applicant's objection was well-founded, but late and inconsistent with his apparent acceptance of the *status quo ante*. I consider that the Principal Hearing Officer was right to describe the objection as 'technical' and I cannot think that he would have regarded it as unjust or unfair to subject the Applicant to the burden of the evidence in question at that stage of the Registry proceedings if he had been addressed upon the significance of the facts and matters described in paragraphs 16 to 23 above.

44. In judging the relative weight of these considerations in the context of the present case it was appropriate to have regard to the unsatisfactory way in which the Opponent had brought the evidence in question before the Registrar, but necessary to recognise that this was not the whole story. Examination of the late evidence indicates that the matters addressed in it ought not to be left out of account when assessing the acceptability of the Applicant's request for registration of the mark in issue. They are matters upon which the Applicant ought to have been able to assist the Registrar without undue difficulty. The change in position represented by his late objection would, if upheld, give the evidential stages of the proceedings the appearance of a game of snakes and ladders. In the light of the events which had happened by the time the objection was raised, it was disproportionate to regard the irregularity as a bar to the admission of the irregularity filed evidence under Rule 13(11).

45. These are my reasons for allowing the appeal and giving directions as to the filing of further evidence. The costs of the appeal were reserved for determination in the manner indicated in paragraph 33 above on the basis that the utility of the appeal could not fairly be assessed independently of the outcome of the Opposition in which it had arisen.

Geoffrey Hobbs Q.C.

25th October 2002

Mary Vitoria Q.C. instructed by Messrs. Eric Potter Clarkson appeared as Counsel for the Opponent.

James Mellor instructed by Messrs. Langner Parry appeared as Counsel for the Applicant

The Registrar was not represented at the hearing.