

O/1025/22

TRADE MARKS ACT 1994

**IN THE MATTER OF
UK REGISTRATION NO. 1394838
IN THE NAME OF LYDONFORD LIMITED
IN RESPECT OF THE TRADE MARK**

SKITTLES

IN CLASS 25

AND

**THE LATE FILING OF FORM TM8(N) AND
COUNTERSTATEMENT
FILED IN DEFENCE OF THAT REGISTRATION
IN THE APPLICATION FOR REVOCATION
THEREOF
UNDER NO. 504890
BY
MARS WRIGLEY CONFECTIONERY UK LIMITED**

BACKGROUND

1. Trade mark No. 1394838 for the trade mark “SKITTLES” stands registered in the UK in the name of Lydonford Limited (“**the proprietor**”). The application for registration was filed on 12 August 1989, and the trade mark was registered on 15 February 1991, in respect of the following goods:

Class 25: *Footwear; all included in Class 25.*

2. On 20 May 2022, STOBBS filed form TM26(N) (“Application to revoke a registration [...] for reasons of non-use” and Statement of Grounds) on behalf of Mars Wrigley Confectionery UK Limited (“**the cancellation applicant**”) under the provisions of section 46(1)(b) of the Trade Marks Act 1994 (“the Act”). The form TM26(N) records that the cancellation applicant gave the proprietor notice of its intention to seek revocation on 21 February 2022. The application for revocation was filed in respect of all of the goods as registered.

3. On 24 May 2022, the Tribunal served the form TM26(N) by both email and by post upon the proprietor. The deadline for the proprietor to file its form TM8(N) (“Notice of defence and counterstatement”) was 25 July 2022, communicated by the Tribunal in the serving letter. The Tribunal’s letter contained the following:

“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...

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, 25 July 2022.

...

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.**

Please note that revocation is being sought under Section 46(1)(b) of the Trade Marks Act 1994. The relevant five year periods where non use is claimed are between **1 January 2017 to 31 December 2022, 21 February 2017 to 20 February 2022** and **20 May 2017 to 19 May 2022** under Section 46(1)(b).

The effective date of revocation if successful would be **1 January 2022, 21 February 2022** or **20 May 2022**.

...”

(original emphasis)

4. The proprietor, who is unrepresented¹, did not file a TM8(N) by the deadline, and so, on 20 September 2022, the Tribunal wrote to the proprietor again (also sent by email and post). In the letter, the Tribunal stated that:

“The official letter dated 24 May 2022 informed you that if you wished to continue with your registration you should file TM8(N) and counterstatement on or before 25 July 2022.

¹ I note that Neil Davies and Partners was appointed as representative to the proprietor on 14 October 2022. However, notification that they were no longer representing them was sent by email on 02 November 2022, to which was attached the completed form TM33.

As no TM8(N) and counterstatement has been filed within the time period set, Rule 38(6) applies. Rule 38(6) states that:

“...the registration of the mark shall, unless the registrar directs otherwise, be revoked.”

The registry is minded to treat the proprietor as not opposing the application for revocation and revoke the registration as no defence has been filed within the prescribed period.

If you disagree with the preliminary view you **must** provide full written reasons and request a hearing on, or before, **04 October 2022**. This **must** be accompanied by a Witness Statement setting out the reasons as to why the TM8 and counterstatement are being filed outside of the prescribed period.

...”

5. On 04 October 2022, the proprietor filed Form TM8(N)², accompanied by the following email attaching four additional supporting documents:

“Please find attached five documents as follows:

1. Proprietor's Reasons For Failure To File TM8(N) Within The Prescribed Period;
2. Witness statement of Iain MacDonald of 4 October 2022;
3. Exhibits to the above witness statement consisting of the following:
 - a. 3a signed Exhibit cover sheet; and

² Filed by Iain MacDonald of Neil Davies and Partners on behalf of the proprietor.

b. 3b Exhibits in a paginated bundle as one pdf; and

4. Form TM8N.

Please can you confirm receipt of the same.

We understand that we now have two months from the date of filing to file our witness evidence. However, we would be most grateful if you would please confirm your instructions in this respect.”

6. The reasons for late filing were given in the first attachment to the email, alongside the required witness statement which gives greater detail, and which was also submitted with the TM8(N).

7. I note the ongoing discussions between the parties, independent to these proceedings, whereby the cancellation applicant has put forward an offer to purchase the contested trade mark from the proprietor, and that negotiations have been taking place in order to facilitate the assignment.

8. Having considered the reasons given for the late filing, on 18 October 2022, the Tribunal wrote to the proprietor (via representatives Neil Davies and Partners) to acknowledge receipt of the TM8(N) and witness statement. In the official letter, sent by email, the Registrar issued the preliminary view that the reasons given were insufficient to exercise his limited discretion and admit the late filed Form TM8(N) into these proceedings, and that therefore, the Registrar’s preliminary view was that this registration was to be treated as revoked. It allowed until 1 November 2022 for a hearing to be requested, should either party disagree with the preliminary view.

9. On 1 November 2022, the Tribunal received an email from Neil Davies and Partners, acting for the proprietor, requesting a hearing.

10. A hearing was scheduled for 16 November 2022, the details of which were sent by the Tribunal to both parties in an official letter dated 2 November 2022.

11. On 2 November 2022, the Tribunal received an email from Neil Davies and Partners to confirm that they were no longer instructed to represent the proprietor in these proceedings. Form TM33 requesting the change of representative was filed alongside the email.

12. On 8 November 2022, the Tribunal wrote to the proprietor to confirm the removal of Neil Davies and Partners as representatives. The proprietor remains unrepresented in these proceedings.

13. On 9 November 2022, the cancellation applicant confirmed attendance at the hearing, and filed its skeleton argument on 14 November 2022.

14. As the proprietor had not responded to confirm attendance at the scheduled hearing by the requested date, a further email requesting confirmation of attendance was sent by the Tribunal on 15 November 2022 to Mr. Glenn Briers, a director of Lydonford Limited, as the named contact for the proprietor. The TEAMS hearing appointment, with instruction on how to join the scheduled meeting, was also re-issued. However, a response to this email was not forthcoming, and the TEAMS hearing appointment was not accepted by the proprietor.

THE HEARING

15. The hearing took place before me, via Microsoft TEAMS telephone conference, on Wednesday 16 November 2022. Ms. Catherine Byfield of Stobbs represented the cancellation applicant, with Kasongo Swana of Stobbs also in attendance. As there had been no response from the proprietor to the email from the Tribunal of 15 November 2022, and neither Mr. Briers, nor any other person on behalf of the proprietor, attended on the day, the hearing went ahead in his absence.

16. At the hearing, I clarified that the purpose of the hearing was to consider whether the late filed defence should be admitted into the proceedings and not to discuss the merits of the substantive issues, and as such, I needed to establish if there were any extenuating circumstances for the late filing of Form TM8(N). I confirmed that in the

absence of the proprietor, I would make my decision based on the skeleton argument filed by the cancellation applicant (which I do not intend to summarise here), and its submissions made during the hearing, coupled with the reasons given for the late filed defence as submitted by the proprietor in its letter dated 4 October 2022, as follows:

“1. The Applicant's representative contacted the Proprietor on 21 February 2022 seeking to purchase the registration of the Proprietor's mark.

2. Negotiations took place between the parties' representatives and an agreement to purchase the registration for £25,000 was reached subject to contract in May 2022.

3. The Applicant's representative issued the application for revocation on what was said, and understood by both parties, to be a "purely protective basis". It was also agreed that no defence or counterstatement would be filed to save costs because there was an agreement to purchase the registration.

4. The final details of the sale and purchase agreement were agreed by 22 July 2022 at the latest, but it was not executed due to availability of the parties' representatives and awaiting confirmation that the funds for purchase were in place.

5. On 7 September 2022, contrary to the agreements set out above, the Applicant's representative sought to rely upon the failure to file a defence and consequent lapse of registration to pull out of the sale and purchase agreement. This was wholly contrary to the agreement and understanding that no TM8(N) should be filed due to the agreement in place. The Proprietor contends that these actions were undertaken in bad faith.

6. Absent any agreement to purchase the registration the Proprietor would have defended the revocation application and in the current circumstances wishes to do so. The Proprietor contends that it would be wholly unjust for the registration to now be revoked on the basis of non-defence, when that non-

defence came about solely as a result of discussions and agreement between the parties. The Proprietor therefore respectfully asks that the registrar uses the discretion afforded to him by rule 38(6) to allow a TM8(N) to be filed out of time and requests a hearing to determine these matters should the registrar consider it necessary”.

17. Ms. Byfield began by submitting that the preliminary view of the Registry was correct as the proprietor had not provided compelling reasons as to why the time limit could not be observed and that the reasons that it had provided did not constitute extenuating circumstances. As also referred to in the skeleton arguments, Ms Byfield mentioned the decisions of the appointed persons in *Mercury Trade Mark*, Case BL O-050-12 and *Kickz Trade Mark*, Case BL O-035-11, outlining that the discretion conferred by Rule 18(2) is a narrow one which may only be exercised in extenuating circumstances.

18. Ms. Byfield stated the cancellation applicant’s case for upholding the preliminary view by going through the criteria outlined in *Music Choice Ltd’s Trade Mark* [2005] RPC 18. I will include her comments to the extent I consider necessary at this juncture, and I will further refer to the factors for consideration outlined in *Music Choice* later in this decision.

19. Ms. Byfield continued by summarising what she said she could see as the proprietor’s reasons that the deadline was missed, being that the parties had agreed that no defence of the revocation action should be filed by the proprietor; that it would be unjust for the revocation to be revoked on the basis of non-defence when the non-defence came about as a result of the discussions and agreement between the parties; and that the proprietor deliberately allowed the registration to lapse on the basis that the sale of the registration had been agreed and that action was based on the view that the transaction could be completed after the deadline to file the TM8 had passed without it being filed.

20. Ms. Byfield confirmed that she had not advised the proprietor or his representative not to file a defence to the revocation action, which she said would not have been appropriate or professional, nor would it have made sense in the context of the

discussions taking place between the parties. She added that the plan of action was that the revocation action would be withdrawn once the assignment and undertakings had been signed.

21. Ms. Byfield explained that having reached three months from notifying the proprietor of the cancellation applicant's wish to purchase the registration, the revocation action was filed in order to preserve the client's position, as it was felt that the mark was vulnerable to cancellation. She confirmed that this had been transmitted to the proprietor's representatives³, however, it did not reflect a desire not to continue with the agreement to purchase the proprietor's registration.

22. She continued that the proprietor and its representative were aware of the deadline to file the Form TM8(N), as given in the official letter from the Registry dated 24 May 2022, and she stated that the letter was clear and unequivocal, with the pertinent information regarding the deadline and the consequences of missing it, and the fact that it is non extendable, being highlighted. She added that the letter also provided information about where to seek further help, including the examiner's telephone number, should they (the proprietor) have any questions which needed clarification. She acknowledged that although the proprietor did not have a recorded representative in the UKIPO proceedings at this point in time, it was clear from the correspondence submitted by the proprietor that it was taking advice in relation to these proceedings, as well as in relation to the ongoing discussions. However, she said that it was clear from Rule 38(6) that it is only the discretion of the Registrar that can lead to any outcome other than the registration being revoked, if a defence is not filed. She added that, as referred to in paragraph 18 in *BOSCO Trade Mark*, Case O-399-15, litigants in person must still follow the rules, and that having no previous experience of legal proceedings was not a good reason for failing to comply with the rules.

³ I note that although Neil Davies and Partners was not recorded as representative to the proprietor in the case before me until 14 October 2022, Iain MacDonald had been involved in the separate negotiations between the parties, as referred to by the cancellation applicant, and as established in the witness statement of Mr MacDonald, dated 4 October 2022.

23. Ms. Byfield submitted that the TM8(N) and Counterstatement were filed 10 weeks late, and then only after the official letter sent from the Tribunal setting out confirmation that it was mindful to revoke the registration. She submits that the proprietor has shown no sense of urgency, and that the TM8(N), the witness statement and reasons for the late filing were filed on the last day of the given deadline for doing so, and the proprietor also waited until the last day of the deadline to request a hearing following the issue of the preliminary view that the reasons for late filing of the defence were insufficient.

24. Ms. Byfield submitted that with regard to any prejudice caused to the cancellation applicant, that essentially, the applicant had faced months of uncertainty with regards to this registration and that it has been 16 weeks since the passing of the deadline without any final resolution, which causes difficulties in managing the business's expectations and plans that need to be put into place with regard to the use of SKITTLES in the UK. She requested that the without prejudice correspondence attached to the witness statement of Mr MacDonald be struck out on the grounds that such correspondence should not be put before the Hearing Officer, as per the practice set out in the Trade Marks Manual.

25. Ms. Byfield concluded by reiterating that there were no compelling reasons or extenuating circumstances which would justify the application of the Registrar's discretion, and therefore, the cancellation applicant requested that the preliminary view be upheld and the registration be revoked from the earliest effective date, being the 1 January 2022. She also made a request for an award of costs in the cancellation applicant's favour.

26. At this stage, the hearing was concluded. I confirmed that I would reserve my judgment and that my decision would be issued in writing via email in due course. Regarding costs, I explained that should the decision be not to admit the TM8(N), then that would result in the termination of these proceedings and an appropriate contribution to costs would be awarded in my decision. However, if the late defence were to be admitted, then the matter of costs arising from this hearing would be assessed when the substantive issues between the parties had been determined.

DECISION

27. The filing of a Form TM8(N) and counterstatement in revocation proceedings is governed by Rule 38 of the Trade Marks Rules 2008 (“the Rules”). The relevant parts 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.

...”

28. The combined effect of Rules 77(1), 77(5) and Schedule 1 of the Rules mean 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.”

29. 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 revocation proceedings is if I exercise in its favour the discretion afforded to me by the use of the words “unless the registrar directs otherwise” in Rule 38(6).

30. In approaching the exercise of discretion in these circumstances, and as referred to by Ms. Byfield in her skeleton arguments and submissions at the hearing, I take into account the decisions of the Appointed Person in *Kickz AG v Wicked Vision Limited* (BL O-035-11) and *Mark James Holland v Mercury Wealth Management Limited* (BL O-050-12) i.e. I have to be satisfied that there are extenuating circumstances which justify the exercise of the discretion in the proprietor’s favour.

31. In *Music Choice Ltd’s Trade Mark* [2005] RPC 18, the Court indicated that a consideration of the following factors (shown below in bold and underlined) 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:

32. As noted above, the stipulated deadline for the filing of the proprietor’s Form TM8(N) and counterstatement was 25 July 2022. The Form TM8(N) and counterstatement was filed by the proprietor on 04 October 2022. Therefore, the deadline was missed by 71 days. The proprietor’s written explanation as to why the deadline was missed was that negotiations were taking place between the parties, with an agreement to purchase the registration having been reached subject to contract in May 2022. It stated that the final details of the sale and purchase agreement had been agreed, but not executed, in July 2022, and due to these agreements, the understanding was that no TM8(N) should be filed.

33. However, as referred to by Ms. Byfield during the hearing, this was not a matter in which the cancellation applicant was able to involve itself. Rule 38(6) states that it

is only the discretion of the Registrar that can lead to any outcome other than the registration being revoked, if a defence is not filed within the given time frame. Having been served Form TM26(N), the question of whether to defend, or not, the application for revocation, was a matter only for the proprietor to decide.

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

34. The application to revoke the registration for reasons of non-use is brought under section 46(1)(b) of the Act. Whilst it is not for the present hearing to determine the merits of the case, there is nothing to suggest that the application is without merit.

The consequences of treating the registered proprietor as defending or not defending the opposition;

35. If the proprietor is permitted to defend the application for revocation, the proceedings will continue, with the parties given an opportunity to file evidence. The matters will be determined on their merits, should the aforementioned negotiations not be completed in the meantime, and the application for revocation not be withdrawn. However, if the proprietor is not allowed to defend the application, it will lose its registration from the earliest date of revocation sought i.e. 1 January 2022.

Any prejudice caused to the cancellation applicant by the delay;

36. At the hearing, Ms. Byfield submitted that the cancellation applicant had faced months of uncertainty in relation to this registration, causing difficulties in managing the business's expectations and plans with regard to the use of SKITTLES in the UK. I also note the inevitable costs associated with delays of this type.

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

37. There are no related proceedings between the parties. At the hearing, Ms. Byfield requested that the without prejudice correspondence attached to the witness statement of Mr MacDonald be struck out.

Considerations

38. The proprietor did not attend the hearing. Therefore I have only the evidence submitted by way of the witness statement of Mr. MacDonald dated 4 October 2022 and the accompanying Exhibit IM1, alongside the reasons given for the late filed defence in the document entitled "Proprietor's Reasons For Failure To File TM8(N) Within The Prescribed Period", attached to the TM8(N), to consider in its defence.

39. At the hearing, Ms. Byfield maintained that there were no compelling reasons or extenuating circumstances which would justify the application of the Registrar's discretion, and requested that the preliminary view of the Registrar to refuse to admit the TM8(N) and counterstatement be upheld, and the registration revoked from the earliest effective date.

40. In the official letter dated 24 May 2022, the Tribunal made it very clear that failure to file a form TM8(N) by the deadline would, in almost all circumstances, result in the registration being treated as revoked. I accept that the proprietor was unrepresented at the UKIPO during the earlier stages of these proceedings, however, by Mr. MacDonald's own admissions in his witness statement, the proprietor was receiving advice from him in relation to the revocation application throughout. Further, as referred to by Ms Byfield at the hearing, I consider that the proprietor was fully aware of the deadline: in paragraphs 18 - 19 of the witness statement, Mr. MacDonald makes reference to the official letter sent to Lydonford Limited serving the Form TM26(N). I therefore have no reason to believe that the letter was not received in a timely manner.

41. Exhibit IM1 details discussions between the parties in relation to the sale of the registration. That the parties were involved in such negotiations is not in doubt, but neither is it directly relevant to the decision I must make on whether to admit the late TM8(N) into the proceedings. Irrespective of the ongoing discussions and any draft/'subject to contract' agreement between the parties, the application for revocation

was filed by the cancellation applicant, as was its right, and a deadline for the proprietor to defend that action was given.

42. At paragraph 27 of the witness statement, Mr. MacDonald admits that “we” (who I interpret as meaning the registered proprietor on the advice of the representative) chose not to defend the application on the basis that the sale was agreed. It therefore appears to be a conscious decision on the part of the proprietor and its representative not to respond to the letter serving Form TM26(N). I take guidance from *BOSCO*⁴, where Geoffrey Hobbs QC (as he then was), sitting as appointed person, found that when filing the application for invalidity, the applicant’s attorneys did everything they were required to do by the Act, adding that the proprietor was responsible for protecting his own interests. I believe the same to be true in the case before me, and that a party’s misunderstanding or failure to consider documents properly is not of itself a reason to disapply the Rules.

43. In reaching my decision, I recognise that if the discretion is not exercised in the proprietor’s favour, the registration will be revoked from the earliest date, being 1 January 2022. However, as the loss of the registration is often the consequence of a failure to comply with the non-extendable deadline to file form TM8(N), this factor is not particularly compelling.

44. I note that the proprietor requested a hearing in response to the letter from the Tribunal, dated 18 October 2022, giving the preliminary view that the reasons for the late filing of the defence were insufficient. A hearing was duly appointed in this respect, however, the proprietor did not respond to confirm attendance, nor did it respond to the follow up email requesting confirmation of attendance, sent by the Tribunal on 15 November 2022, being the day before the date of the scheduled hearing. In my view, the proprietor has been given ample opportunity to be heard on why it considers that the preliminary view should be overturned.

45. Having considered the proprietor’s reasons for its failure to file a TM8(N) by the deadline given, I find no single reason or combination of reasons sufficient to constitute

⁴ At [14-15].

extenuating circumstances or compelling reasons to enable me to exercise my (limited) discretion under Rule 38(6) to admit the late-filed TM8(N) and counterstatement into these proceedings.

46. The without prejudice correspondence attached to the witness statement of Mr. MacDonald is inadmissible and has not been taken into account.

OUTCOME

47. The late form TM8(N) and counterstatement is not to be admitted into the proceedings. Subject to any appeal, the proprietor will be treated as not opposing the application for revocation and the registration will be revoked in full under section 46(1)(b) of the Act with effect from the earliest date sought, i.e. 1 January 2022.

COSTS

48. Given that the outcome of this decision has terminated the proceedings, the cancellation applicant is entitled to a contribution towards its costs, based on the scale published in the TPN (Tribunal Practice Notice) 2/2016. Applying the TPN as a guide, I assess costs as follows:

Official fee:	£200
Preparing the statement of case:	£200
Preparing for and attending the hearing, including filing skeleton arguments:	£400
Total:	£800

49. I therefore order Lydonford Limited to pay Mars Wrigley Confectionery UK Limited the sum of £800. This 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 22nd day of November 2022

**Suzanne Hitchings
For the Registrar,
the Comptroller-General**