

**TRADE MARKS ACT 1994**

**IN THE MATTER OF A REQUEST FOR DISCOVERY  
BY THE REGISTERED PROPRIETOR  
IN RESPECT OF APPLICATION NO. 9206  
BY ALBERTA FERRETTI FOR REVOCATION OF  
TRADE MARK REGISTRATION NO. 1335163  
IN THE NAME OF  
NICHOLAS DYNES GRACEY**

## **TRADE MARKS ACT 1994**

### **IN THE MATTER OF A REQUEST FOR DISCOVERY BY THE REGISTERED PROPRIETOR IN RESPECT OF APPLICATION NO. 9206 BY ALBERTA FERRETTI FOR REVOCATION OF TRADE MARK REGISTRATION NO. 1335163 IN THE NAME OF NICHOLAS DYNES GRACEY**

#### **Background**

On 25 September 1996 Alberta Ferretti, the applicants, applied for the revocation of registration no. 1335163 in Class 25 for the trade mark PHILOSOPHY. The application was made under the provisions of sections 46(1)(a) and (b) of the Trade Marks Act 1994.

A counter-statement together with a document headed Affidavit was filed by Nicholas Dynes Gracey, the registered proprietor, and the applicants were invited to file evidence in support of their application. The applicants subsequently filed a statutory declaration by Mr Stephen Anton Keith dated 22 May 1997.

Mr Keith's declaration set out the results of his investigation into the use of the trade mark in suit. In the declaration, Mr Keith states that he approached Mr Gracey and spoke to him using a pretext. The registered proprietor requested discovery of certain details concerning the investigation and conversation between himself and Mr Keith set out in Mr Keith's declaration. The request for discovery was heard at an interlocutory hearing on 18 June 1998 and a direction was given that the applicants should provide details of the location at which the alleged conversation took place. The registered proprietor was given a period of one month, from the date that the information was provided, to file evidence in defence of the registration. The applicants provided the information by way of a letter dated 16 September 1998. In subsequent correspondence the registered proprietor asked that the applicants' letter be rejected and that proper discovery should be ordered from Mr Keith.

A further interlocutory hearing was held on 29 October 1998 to consider whether the information supplied by the applicants was sufficient and to consider a further request by the registered proprietor for an extension of the period for him to file evidence. The Hearing Officer gave a further two weeks for the registered proprietor to file evidence and this was filed on 12 November 1998. In addition, the Hearing Officer found that the information supplied in the applicants' letter of 16 September 1998 was sufficient to discharge their responsibility insofar as his direction was concerned. A formal decision was issued on 2 December 1998 and the registered proprietor subsequently filed an appeal to the Appointed Person.

That appeal was heard on 8 June 1999 before Mr Simon Thorley Q.C., sitting as the Appointed Person. Mr Thorley allowed the appeal and ordered that the applicants comply with the order of the Hearing Officer given at the hearing on 18 June 1998 and provide the registered proprietor

with details of the location at which the alleged conversations took place. As a result of this order, the applicants filed a second statutory declaration by Mr Keith on 22 June 1999. A corrected version of this statutory declaration was filed on 14 July 1999.

5 On the 25 June 1999 the registered proprietor made a request for further discovery. The registered proprietor referred to paragraph 11 of Mr Keith's second statutory declaration. This paragraph referred to an alleged conversation in a public house between Mr Keith and a member of the bar staff. In the paragraph Mr Keith stated that the bar staff had already told him that Mr Gracey had been banned from the public house. The registered proprietor's request for discovery  
10 can be summarised as:

- (i) what was the pretext of the alleged conversation;
- (ii) when did the alleged conversation take place;
- (iii) a description of the bar staff in order to identify the bar staff; and
- 15 (iv) the name and location of the public house.

Following this request for discovery, the applicants of their own motion, provided a further statutory declaration by Mr Keith. This, his third statutory declaration, attempted to address the registered proprietor's request. In it Mr Keith states that:

- (i) he was given the information in passing without prompting;
- (ii) he entered the public house at approximately 2.00pm on 23 April 1996;
- (iii) he cannot remember what the lady looked like; and
- 25 (iv) as he made no investigations in the public house, he did not make a note of its name or address and he cannot recall when exactly the comment was made.

The registered proprietor maintained his request for discovery in his letter of 16 July. The Official letter of 9 August 1999 indicated that the Registrar was not minded to grant an order for discovery as the particulars being sought were not considered to be relevant to the matters in question in the proceedings.

The registered proprietor requested an interlocutory hearing. The interlocutory hearing took place on the 23 September 1999. The registered proprietor made submissions via a telephone conference link, the applicants for revocation were represented by Mr James St Ville of Counsel instructed by Urquhart Dykes and Lord. At the hearing I refused the request for discovery. The registered proprietor has filed form TM5 requesting a formal statement of grounds.

## 40 **Decision**

The powers of the Registrar in relation to the production of documents, information, evidence and discovery are encompassed by Rules 51 and 52(1) of the Trade Marks Rules 1994 (as amended), which state:

45 "51 - At any stage of any proceedings before the registrar, he may direct that such documents, information or evidence as he may reasonably require shall be filed within such period as he may specify.

52(1)- The registrar shall in relation to the examination of witnesses on oath and the discovery and production of documents have all the powers of an official referee of the Supreme Court.”

5 Before I deal with the substantive question raised at the hearing I must deal first with a preliminary issue that arose during the applicants’ submissions. Mr St Ville referred to the Civil Procedure Rules and argued that the relevant test that I should apply was that set out in those rules with regard to disclosure. Mr Gracey referred to Part 51 of the Civil Procedure Rules which deals with transitional arrangements and argued that as these proceedings were commenced  
10 before the 26 April 1999 the Rules of the Supreme Court should apply.

15 Although Mr Justice Ferris in *St Trudo* [1995] R.P.C. 370 found that the Rules of the Supreme Court have no part to play in proceedings before the Registrar it is clear that where the Registrar has to exercise a discretion which is analogous to that of the court she is guided by the Rules of the Supreme Court. By analogy it would appear that the Civil Procedure Rules have no part to play in proceedings before the Registrar but may nevertheless act as useful guide to the exercise of the Registrar’s discretion. It also seems sensible that the Registrar should continue to mirror the courts in deciding whether or not to order discovery.

20 The provisions of the Rules of the Supreme Court relating to discovery were set out in Order 24. When considering an application for discovery it was necessary to ask whether the documents related to the matter in question in the proceedings and whether their discovery was necessary to dispose fairly of the proceedings or to reduce costs. Under the provisions of Part 31 and the associated practice direction of the Civil Procedure Rules I note that in considering an application  
25 for disclosure, as discovery is now called, the court will take into account “all the circumstances of the case” and in particular, “The overriding objective described in Part 1”. It seems to me that the “old” test is a sensible part of considering “all the circumstances of the case” and so should not be discarded.

30 Thus, it would seem that there is no need for me to decide which provisions are guiding me since I have found that they both amount to the same test. However, to the extent that it is necessary I find that, in accordance with Part 51 paragraph 14 of the Civil Procedure Rules (CPR) that it is those rules and not the Rules of the Supreme Court that should guide me in the exercise of my discretion. In particular, I note that Part 51 paragraph 14 deals with applications to the court after  
35 the 26 April 1999 and it states that such applications must be made in accordance with CPR Part 23. In Part 31, which deals with disclosure, it states that an application for specific disclosure should be made by application in accordance with Part 23. Thus, in my view, this application for discovery would, if before the court, be decided under the provisions of the CPR. As both parties referred to discovery throughout the hearing I will continue to use the term discovery and not the  
40 term disclosure.

45 At the hearing Mr Gracey referred to his request for discovery as set out in his letter of 16 July 1999. He stated that he was restricting his request to point (a) in paragraph 16 of that letter and so was seeking an order that the applicants reveal the name of the public house. Therefore, the only question that was before me was whether I should order the applicants to provide the registered proprietor with the name of the public house referred to in the second and third statutory declarations of Mr Keith.

Mr Gracey put forward two reasons as to why discovery of the information was sought, although he subsequently identified a third. In summary he argued that discovery of the name of the public house would:

- 5           (1)     assist him in establishing whether the alleged conversation with Mr Keith took place;
- (2)     enable him to take action against the public house for defamation; and
- (3)     enable him to take action for perjury if the allegation that he was banned from the public house was shown to be untrue.

10           In his submissions Mr Gracey put forward the argument that in relation to points (1) and (3) discovery was necessary to dispose fairly of the proceedings. With regard to point (2) he sought to rely on the case *P v T* [1997] 1 W.L.R. 1309 and sought in effect, a Norwich Pharmacal type order. I note that the CPR does not limit other powers of the court to order disclosure which according to paragraph 31.18 of the CPR includes “disclosing the identity of the wrongdoer (the Norwich Pharmacal principle)”. I will deal with this issue first.

15           Mr Gracey referred me to the case *P v T* and stated that if the name of the public house was disclosed he would seriously consider taking action for defamation. The Registrar’s power to order discovery is set out in the Trade Marks Act 1994 and the Trade Marks Rules 1994 (as amended). Therefore, it seems to me that the Registrar should exercise that power within the confines of the Act and rules. The main authority that guides the Registrar in the exercise of her power with regard to discovery is the judgment of Aldous J., as he then was, in *Merrell Dow Pharmaceuticals Inc’s (Terfenadine) Patent* [1991] R.P.C. 221. There is an often quoted passage from that judgment which reads:

20           “The Comptroller has the power to order discovery and does so in appropriate cases. The principles which he should apply were, it appears, canvassed before the superintending examiner. He concluded that he should follow the principles applicable to discovery in the High Court, namely, discovery should only be ordered if the documents relate to matters in question in the proceedings (R.S.C., Order 24, rule 1) and disclosure was necessary to dispose fairly of the proceedings (R.S.C., Order 24, rules 8 and 13(1)) I believe he was right. Even though that is the test, it should not mean that the burden of discovery should become more widespread in Patent Office proceedings. It is not normal in proceedings before the Comptroller for there to be discovery and experience has shown that discovery has not been necessary in most cases which, in the past, have come before him. No doubt this has been because complex questions of infringement and validity normally come before the court.”

25           Mr Gracey argued that *Merrell Dow* was a case decided before 1994 and so has little relevance to the Registrar’s powers to order discovery under the Trade Marks Act 1994. I do not accept his argument on this point. The *Merrell Dow* case was a patent case decided under the Patents Act 1977. The Patents Act 1977 and associated rules contain provisions giving the Comptroller powers to order discovery and production of documents. The Trade Marks Act 1994 gives the Registrar comparable powers concerning discovery and production of documents. Therefore, in my view the principles set out in *Merrell Dow* are equally applicable to requests for discovery before the Registrar.

It is clear from the passage quoted above that the burden of discovery in proceedings before the Patent Office should not become more widespread. It should only be ordered if the documents relate to matters in question in the proceedings and it is necessary to dispose fairly of the proceedings.

5

Mr Gracey argued that, on the basis of *P v T*, I should order the applicants to provide the name of the public house. Neither Mr Gracey nor Mr St Ville argued that I did not have the power to make such an order. However, Mr St Ville, referring to Order 24 Rule 14A of the Rules of the Supreme Court (Part 31.22 of the CPR contains similar provisions), drew my attention to the passage dealing with the use of documents obtained in an action for discovery. He argued that if discovery was ordered Mr Gracey would not be able to use the information to take action against a third party without the leave of the court. I agree with him that the standard order for discovery would restrict the use to which that information could be put. That said, I have no doubt that if I have the power to order discovery of this information I also have the power to make an order varying the use to which it can be put.

10

15

However, as stated above, in my view, the Registrar's power to order discovery should be exercised within the confines of the Trade Mark Act and rules, unless there were overwhelmingly convincing reasons for doing otherwise. There are no such reasons here. The making of an order for discovery for the purpose of the applicant taking action against a third party seems to me to be outwith the practice of the Office. I am supported in my view by the fact that in both *P v T* and *Norwich Pharmacal v Customs & Excise Commissioners* [1974] A.C. 113 the action was before the court. I note also that such orders are made sparingly by the court.

20

25

I understand Mr Gracey's desire to establish the name of the public house and I should state that I do not doubt that he would consider taking action, however, any cause of action that might follow would not be before the Registrar. It seems to me that such an application should, if at all, be made to the court.

30

If I am wrong to so decide I go on to consider whether such an order would be appropriate in the circumstances of the instant case. Mr Gracey stated that if discovery was ordered he would take action against the public house for defamation. It would appear that this request is very similar to the facts set out in *P v T*. That action also related to a request for discovery for the purpose of establishing whether an action for defamation or malicious falsehood would lie against an unknown individual.

35

However, discovery relates to the discovery and inspection of documents. Clearly the term documents is to be interpreted widely, in the Supreme Court Practice at paragraph 24/2/3 it states that the meaning of documents is "not restricted to paper writings but extends to anything upon which evidence or information is recorded in a manner intelligible to the senses or capable of being made intelligible by the use of equipment". A similar definition is given in the Civil Procedure Rules at Part 31.4.

40

45

Mr Gracey argued that I had the power to order the applicants to conduct enquiries and provide the information. Under the provisions of rule 51 the Registrar may direct that such information as he may reasonably require shall be filed. The provisions of rule 51 clearly go beyond the production of documents. However, this an application for discovery and at present, I am

considering the widest possible application of discovery, to enable Mr Gracey to use the fruits of that discovery to take an action against a third party. In my view, rule 52(1) sets out the Registrar's powers with regard to the discovery and production of documents. This rule clearly relates to the production of documents not the provision of information.

5

The applicants have already stated, in the third statutory declaration of Mr Keith, that no documents exist which disclose the name of the public house. Therefore, even if such an order was made no documents exist which would enable Mr Gracey to establish the name of the public house. I find therefore that even if it were the practice to make such an order for discovery I decline to do so in this case.

10

Next, I consider whether discovery of the information relates to matters in question and is necessary to dispose fairly of the proceedings.

15

As stated, Mr Gracey submitted that he was not aware of having been banned from a public house and the provision of the name of the public house would enable him to conduct enquiries and perhaps put in evidence which would show that Mr Keith's statement was false it might also enable Mr Gracey to take action for perjury.

20

Mr St Ville referred me to the case *Thorpe v Chief Constable of Greater Manchester Police* [1989] 1 W.L.R. 665 where it was held that there should be limitations to the general rule relating to discovery and that the court would not order discovery which was directed solely to cross-examination as to credit. Mr St Ville in his submissions suggested that the facts of the instant case were such that I should refuse the application for discovery because it was directed to challenge the credit of Mr Keith as a witness. I do not accept Mr St Ville's submissions on this point. In my view Mr Keith has made a statement of fact. If that was proved to be wrong it would not be cross-examination as to credit but as to veracity.

25

30

That said, with regard to an action for perjury, Mr Keith's statements relating to the fact that Mr Gracey had been banned from the public house are at best hearsay upon hearsay. He is recounting a conversation with a third party. Even if, as Mr Gracey asserts, he has never been banned from a public house it would not necessarily follow that Mr Keith has committed perjury. Mr Gracey would need to show that Mr Keith made the statement knowing it was false. It would appear that Mr Gracey would also have to show that the statement was *material* in the proceedings. Again any action for perjury would not be before the Registrar, it is a criminal matter and Mr Gracey would be using the fruits of his discovery to seek to persuade the relevant authorities to take action against Mr Keith.

35

40

Mr Gracey argued that if he could show that Mr Keith's statement concerning the public house were false it would assist him in showing that other parts of his evidence might also be false. I do not believe that an application for discovery is appropriate in these circumstances. The applicants made an open offer during the hearing to withdraw the offending paragraph and confirmed that they do not intend to rely on it in the proceedings. This supports my view that the reference to the public house is not relevant to these proceedings.

45

Finally, Mr Gracey sought discovery in order to assist him to establish whether the alleged conversation with Mr Keith took place. These are proceedings for the revocation of a trade mark

on the grounds set out in section 46(1)(a) and (b). That is the matter in question. Mr Gracey's original request for discovery related to the provision of information to enable him to establish whether an alleged conversation took place. That was entirely correct, the provision of the information was ordered by the Hearing Officer and subsequently enforced on appeal by Mr  
5 Simon Thorley Q.C., sitting as the appointed person. However, the name of the public house which Mr Keith visited after the alleged conversation, cannot in my view be of evidential materiality to the matter in question. Nor is this information necessary to dispose fairly of the proceedings.

10 In addition, by complying with the original order of the Hearing Officer the applicants have already provided information relating to the alleged conversation. Through this request, the registered proprietor is in effect seeking to expand on the original order of the hearing officer. If the registered proprietor thought that the original order was insufficient he should have appealed the order at the time. I do not think that a further request for discovery should be used as a way  
15 of circumventing the original order. I therefore, refused the registered proprietor's request.

**Dated this 17th day of November 1999**

20

**S P Rowan**  
**Hearing Officer**  
25 **For the Registrar, the Comptroller-General**