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UK INTELLECTUAL PROPERTY OFFICE
One Essex Court,
Temple, London, EC4Y 9AR
Tuesday, 25th October, 2016

Before:

MR. GEOFFREY HOBBS Q.C.
(sitting as the Appointed Person)

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In the Matter of the Trade Marks Act 1994

-and-

In the Matter of Trade Mark Application No. 3047484
to register the mark IWATCH under Class 9 in the name of
APPLE INC.(formerly BRIGHTFLASH USA LLC)

-and-

In the matter of Opposition No. 402874 thereto by
SWATCH AG (SWATCH SA)(SWATCH LTD)

- - - - -

(Appeal of the Opponents from the decision of Mr. Allan James,
acting on behalf of the Registrar, dated 27th June, 2016.)

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(Transcript of the Shorthand Notes of Marten Walsh Cherer
Ltd., 1st Floor, Quality House, 6-9 Quality Court,
Chancery Lane, London, WC2A 1HP.
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MR. MARK ENGELMAN (instructed by Locke Lord (UK) LLP) appeared
on behalf of Apple Inc.

MR. MARTIN KRAUSE (of Haseltine Lake LLP) appeared on behalf
of Swatch AG (Swatch SA) (Swatch Ltd).

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APPROVED DECISION

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O-506-16

1 THE APPOINTED PERSON: On 18th March, 2014, Brightflash USA LLC,
2 acting as nominee for Apple Inc, applied under no. 3047484 to
3 register the designation IWATCH as a trade mark for use in
4 relation to the following goods in Class 9: "Computer
5 software; security devices; monitors and monitoring devices;
6 cameras; computers; computer hardware; computer peripherals;
7 wireless communication devices; radios; audio and video
8 devices; global positioning system devices; accessories,
9 parts, components, and cases for all of the foregoing goods".

10 The application for registration was opposed by
11 Swatch AG, Swatch SA and Swatch Ltd on the basis of a Notice
12 and Statement of Grounds of Opposition filed under reference
13 no. 402874 on 15th September, 2014.

14 On 6th October, 2015, the application was assigned by
15 Brightflash USA LLC to Apple Inc. On 21st January, 2016, the
16 Opponents filed a Form TM7G requesting permission to amend
17 their Grounds of Opposition to add an objection to
18 registration under section 3(6) of the Trade Marks Act 1994.
19 The premise of the additional objection was that the
20 application for registration as filed on 18th March, 2014
21 contained a declaration under section 32(3) of the Act in
22 which it had been falsely stated that the trade mark IWATCH
23 was being used by the then Applicant, or with its consent, in
24 relation to goods of the kind listed in the application or
25 that the then Applicant had a bona fide intention that it should be

1 so used.

2 The request for permission to amend the Grounds of
3 Opposition was refused by Mr. Allan James, acting on behalf of
4 the Registrar, at a case management conference held on 16th
5 March, 2016. The Opponents then sought permission under rule
6 70(2) of the Trade Marks Rules 2008 to appeal against the
7 rejection of their application for amendment. The Registry
8 responded in an official letter of 18th March, 2016 stating:

9 "The hearing officer is not minded to grant leave to
10 appeal at this stage because bearing in mind the availability
11 of cancellation proceedings, there is no potential prejudice
12 to the opponent, even if there was an error.

13 "However, the opponent is free to raise this matter
14 again as a preliminary point at the hearing on 26th April. If
15 the hearing officer is persuaded that it is appropriate to
16 grant leave to appeal on the s.3(6) point, he will consider
17 splitting the proceedings under Rule 62(1)(h) so that a
18 decision can be given on the existing grounds of opposition.
19 In that event the hearing will serve its purpose irrespective
20 of the outcome of any appeal on the decision on the additional
21 ground.

22 "The opponent will also have an opportunity, if it so
23 wishes, to make submissions on the appropriate quantum of
24 costs in relation to the CMC before I issue a decision on that
25 matter. The hearing officer has directed that this can be

1 done in writing - within 14 days of receiving the applicant's
2 schedule of costs, which will inform my decision on what
3 amounts to a reasonable contribution - or at the hearing on
4 26th April."

5 This was evidently intended to allow the Opponents to
6 pursue their request for permission to appeal against the
7 rejection of their interim application for amendment at the
8 substantive hearing of the opposition, which they duly did.
9 The substantive hearing took place before Mr. Allan James,
10 acting on behalf of the Registrar, on 26th April, 2016. The
11 hearing officer did not separate out the Opponents' request
12 for permission to appeal on the section 3(6) amendment point
13 for separate consideration under rule 62(1)(h). He dealt with
14 it as part of his decision on the case as a whole, which he
15 issued under reference BL O/307/16 on 27th June, 2016.

16 For the reasons he gave, he upheld the opposition in
17 relation to all goods specified in the application for
18 registration in Class 9 other than "computer software;
19 security devices; computer peripherals; parts, components, and
20 cases for all of the foregoing goods." He reaffirmed his
21 decision to reject the Opponents' interim application for
22 amendment. He ordered the Opponents to pay the Applicant
23 £2,767 as a contribution towards its costs of the opposition
24 proceedings in the Registry, including its costs of resisting
25 the unsuccessful application for amendment of the Grounds of

1 Opposition.

2 On 25th July, 2016, the Applicant appealed to the High
3 Court of England and Wales in London under section 76 of the
4 1994 Act seeking reversal of the hearing officer's decision to
5 the extent that it had resulted in the rejection of its
6 application for registration in Class 9. It omitted to serve
7 a copy of its Appellant's Notice on the Registrar until 4th
8 October, 2016. That was ten weeks after the Appellant's
9 Notice had been filed and six weeks after the Chancery Listing
10 Office had notified the parties to the High Court appeal that
11 it had been listed for hearing in a three-day window
12 commencing on 16th November, 2016 with a time estimate of one
13 day. I understand that it has now been agreed with Chancery
14 Listing that the three-day window for the hearing of the
15 appeal will commence on 19th December, 2016.

16 In parallel with the Applicant's appeal to the High
17 Court, the Opponents appealed to an Appointed Person under
18 section 76 of the Act seeking reversal of the hearing
19 officer's decision to the extent that it resulted in
20 acceptance of "computer software" and "computer peripherals" in
21 the contested application for registration in Class 9.

22 The relevant Notice and Grounds of Appeal were filed at
23 the Trade Marks Registry on 25th July, 2016. The Grounds of
24 Appeal are, in part, directed to the proposition that the
25 Registrar should not have rejected the Opponents' request for

1 amendment of their Grounds of Opposition to introduce an
2 objection to registration under section 3(6) of the Act by
3 reference to the provisions of section 32(3) of the Act. That
4 is a contention which, if it were to be upheld, would impinge
5 upon the disposal of both of the pending appeals.

6 Against that background, the question I am required to
7 determine is whether, as the Applicant contends, the
8 Opponents' appeal to an Appointed Person should be referred to
9 the High Court of England and Wales under section 76(3)(c) of
10 the 1994 Act and rule 72(1)(b) of the 2008 Rules for hearing
11 and determination at the same time as its own appeal to the
12 court or whether, as the Opponents contend, their appeal
13 should remain pending before this tribunal and proceed to
14 determination by an Appointed Person in parallel with, and
15 independently of, the Applicant's appeal to the High Court.

16 The Registrar has confirmed in writing that he agrees to
17 the Applicant's request for the Opponents' appeal to the
18 Appointed Person to be referred to the High Court. No one has
19 suggested or requested a stay of the Applicant's appeal to the
20 High Court pending the determination of the Opponents' appeal
21 to this tribunal. It is agreed on both sides that the
22 principles I should apply to the determination of the request
23 for referral are as indicated in paragraphs 13 and 14 of the
24 decision I issued under reference BL O/025/16 on 7th January,
25 2016 in the GAP 360 Trade Mark case.

1 Having considered the hearing officer's decision and the
2 Grounds of Appeal filed in the parallel pending appeals, I am
3 satisfied that they relate to issues of assessment and
4 appraisal of a kind which can just as appropriately be dealt
5 with on appeal to this tribunal as on appeal to the High
6 Court. They are not directed to matters which I would feel any
7 real need to refer to the court if either, or both, of the pending
8 appeals were proceeding before this tribunal. However, they
9 are not both proceeding before this tribunal and I think it is
10 clear that they overlap to such a large extent (albeit as
11 opposite sides of the same coin) that they ought to proceed
12 and be determined together by a single appellate tribunal.
13 That must perforce be the High Court of England and Wales
14 given the way in which events have unfolded subsequent to the
15 delivery of the hearing officer's decision.

16 In the circumstances, my decision is that the Opponents'
17 appeal to the Appointed Person should be referred to the High
18 Court under the statutory provisions that I have mentioned and
19 I will so order.

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