BL O/0211/25

IN THE MATTER OF THE TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NUMBER 3,763,518 IN THE NAME OF CHUNDAN LIAO

AND IN THE MATTER OF AN OPPOSITION UNDER NUMBER 432,459 IN THE NAME OF CHEN FUPING

AND IN THE MATTER OF TRADE MARK REGISTRATION NUMBER 3,760,779 IN THE NAME OF CHEN FUPING

AND IN THE MATTER OF AN APPLICATION FOR A DECLARTION OF INVALIDITY UNDER NUMBER 505,512 BY CHUNDAN LIAO

AND IN THE MATTER OF AN APPEAL FROM THE DECISION OF JUDI PIKE (O/814/24) DATED 27 AUGUST 2024

DECISION

Introduction

1. While the appeal from the decision of Judi Pike, for the Registrar, dated 27 August 2024 (O/814/24) relating the marks MOSOTECH was pending, a procedural matter arose which is the subject of this decision. Before turning to this issue, it is necessary to set out what has happened so far.

2. Mr Liao, the Appellant, filed an application to register the mark MOSOTECH in Classes 9 and 25 (No 3,763,518). This application was opposed by Mr Fuping based on an earlier registration for the mark MOSOTECH also in Classes 9 and 25 (No 3,760,779). Mr Liao therefore applied for a declaration of invalidity in respect of Mr Fuping's earlier mark.

3. The Hearing Officer rejected the application seeking to invalidate Mr Fuping's mark. Accordingly, as the marks are identical and many of the goods and services are either identical or similar, the opposition was successful save in respect of a limited number of goods.

4. Mr Liao appealed the Hearing Officer's decision. The grounds of appeal are far from clear, but it is apparent that the decision so far as it was unfavourable to Mr Liao is being challenged. Accordingly, there is an appeal of the Hearing Officer's decision to reject the application for a declaration of invalidity and a challenge to the finding so far as the opposition was successful.

5. Between the handing down of the Hearing Officer's decision and the hearing of the appeal, Mr Fuping's representative withdrew. As Mr Fuping's address is in China, this withdrawal meant that he ceased to have an address for service complying with rule 11 of the Trade Marks Rules 2008 (SI 2008/1797). To comply with the rule, an address for service must be in the United Kingdom, Gibraltar or the Channel Islands (r 11(4)).

6. On 17 December 2024, the registrar issued a direction under rule 12(1) of the Trade Mark Rules 2008 requiring an address for service to be filed which complies with r 11. No new address for service was provided by Mr Fuping and so the consequences of this failure need to be considered.

7. In relation to these consequences, I sought written submissions from Mr Liao, Mr Fuping and the registrar. However, only the registrar provided any relevant submissions.

Rule 12 of the Trade Marks Rules 2008

8. The power to give a direction requiring an address for service, and the consequences of not complying with that direction, are set out in rule 12 of the Trade Marks Rules 2008:

> 12.—(1) Where—
>
> (a) a person has failed to file an address for service under rule 11(1); and
>
> (b) the registrar has sufficient information enabling the registrar to contact that person,
>
> the registrar shall direct that person to file an address for service.
>
> (2) Where a direction has been given under paragraph (1), the person directed shall, before the end of the period of one month beginning immediately after the date of the direction, file an address for service.
>
> (3) Paragraph (4) applies where—
>
> (a) a direction was given under paragraph (1) and the period prescribed by paragraph (2) has expired; or
>
> (b) the registrar had insufficient information to give a direction under paragraph (1),
>
> and the person has failed to provide an address for service.
>
> (4) Where this paragraph applies—
>
> (a) in the case of an applicant for registration of a trade mark, the application shall be treated as withdrawn;
>
> (b) in the case of a person opposing the registration of a trade mark, that person's opposition shall be treated as withdrawn;
>
> (c) in the case of a person applying for revocation, a declaration of invalidity or rectification, that person's application shall be treated as withdrawn; and
>
> (d) in the case of the proprietor opposing such an application, the proprietor shall be deemed to have withdrawn from the proceedings;
>
> (e)in the case of the proprietor who sends a derogation notice to the registrar, the registrar must proceed as if the proprietor had not sent a derogation notice.
>
> (5) In this rule an "address for service" means an address which complies with the requirements of rule 11(4).

9. As Mr Fuping has been given a direction under rule 12(1) and the one month period prescribed in rule 12(2) has expired, paragraph (4) of rule 12 now applies.

10. Accordingly, Mr Fuping's opposition is treated as withdrawn (r 12(4)(b)) and he is deemed to have withdrawn from the proceedings relating to the application for a declaration of invalidity (r 12(4)(d)).

11. The issue before me is whether it is possible for the appeal to be disposed of summarily in the appellant's favour because there is no longer an respondent, and so the appellant is the only remaining party to the invalidity proceedings.

Is there a requirement for a substantive appeal on the merits?

12. In general, there is no requirement for an appeal to be determined following a substantive hearing on the merits. An appellate tribunal is only concerned with the interests of the parties and the public interest: *Rochdale MBC v KW (No. 2)* [2015] EWCA Civ 1054, [2016] 1 WLR 198 at [27]. Therefore, where the public interest is not engaged the judgment below can be reversed with the consent of all the remaining parties to the case. Accordingly, where the appellant is the only party to the proceedings (such as in this case), subject to the public interest, the appeal can be allowed without substantively considering the merits.

13. There are instances in intellectual property cases where the public interest might require a substantive determination of the merits of an appeal. The most common example is where a patent has been invalidated at first instance and the appellate court is being asked to restore the right to the register: see *Halliburton Energy Services v Smith International* [2006] EWCA Civ 185, [2006] RPC 26. A similar rationale might apply to a trade mark which was invalidated by a Hearing Officer on absolute grounds. In both cases, there is a public interest in ensuring that invalid rights are not put back on the register.

14. On the other hand, there is no public interest in a mark being registered where there is a conflicting earlier mark or right. This is because conflicting registrations and rights are allowed with the consent of the proprietor of the earlier right: section 5(5) of the Trade Marks Act 1994. Furthermore, only the proprietor of an earlier right can oppose (or seek to invalidate) a mark based on the earlier right: Trade Marks (Relative Grounds) Order 2007 (SI 2007/1976). Indeed, a mark is only invalid under relative grounds because the proprietor of the earlier right seeks to enforce their rights. In the absence of any such challenge the relative grounds do not bite.

15. Furthermore, there is no public interest engaged — even on absolute grounds — where the appeal will lead to a mark being invalidated and so removed from the register. The public interest is to prevent invalid marks remaining on the register, but no such interest exists in keeping valid marks on the register where the proprietor wants (or is deemed to want) it removed.

16. Accordingly, it is my view that because the only party to this appeal is the Appellant the appeal can be allowed in full without substantively considering the merits.

Final comments

17. It is apparent, therefore, that the failure to maintain a valid address for service by the respondent during the pendency of an appeal may lead to a decision of the Hearing Officer being overturned. This will be the case even where that decision was well-

reasoned and correct. This is simply the consequence of the strict statutory (and disciplinary) sanction found in rule 12(4) of the Trade Marks Rules 2008.

18. However, it is important to highlight that this outcome is a result of the statutory rule and that rule alone. A party who does not participate in an appeal is not in the same position as someone deemed to have been removed from those proceedings by rule 12(4). I am not suggesting, for example, that an appeal can be determined summarily where a party neither submits written submissions nor turns up to the hearing. In such a case, the party is still a party to the proceedings and, absent consent or another rule of law, the appeal should not be determined summarily.

Costs

19. As Mr Fuping is no longer a party to these proceedings, it is not appropriate to make any costs order against him. However, as the appeal was successful, I vacate the costs order made against Mr Liao below.

PHILLIP JOHNSON
THE APPOINTED PERSON
9 March 2025