



Advancing Industry's View On Intellectual Property Since 1920

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By email

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Dear Robin

Pre-Consultation on the Future of Relative Grounds Examination

Thank you for inviting David Tatham, on behalf of the Federation, to meet with you on 7<sup>th</sup> September in order to learn our views on the future of relative grounds examination in the UK.

David subsequently gave us a full account of his discussions with you and your team, so we know that all the ground was covered. Nevertheless, the TMPDF Trade Marks Committee felt that it would be useful to formally record and re-state our position on the matter.

You will be aware that it was the Federation which originally broached this matter the first time round, back in 2001, and that at the time we proposed that relative grounds examination was no longer appropriate following the passage of the 1994 Act and the de-emphasising of the 'nanny state' role in trade mark matters.

Our initiative was rejected, primarily, as we understand it, on the basis that the opposition procedure was relatively long and complicated and therefore that to do away with the other way of safeguarding the rights of owners of earlier trade marks would lead to a burdensome expense for SMEs.

Since then, of course, we have seen the introduction of a revised and streamlined opposition procedure, as a result of which nearly half of all oppositions are effectively decided by preliminary indication. The number of oppositions has fallen by about 40% anyway. As the majority are settled, this means that only a few hundred cases per year go to a full substantive decision. Of these, many are made without a hearing.

Therefore it is now only a tiny minority that will face the expense of the full opposition procedure, and it seems wrong to penalize the vast majority in order to relieve the burden of the very few.

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The problem is that in practice a UK trade mark registration may be relatively expensive by comparison with those in other Member States, because all too often applicants are faced with the need to overcome citations of earlier registrations which are technically confusingly similar but which in practice do not conflict. We know that Registry staff recognise this.

This extra step increases the time and the expense of achieving a registration, which puts UK companies at a disadvantage compared with their competitors in other Member States. We believe UK industry generally, and SMEs in particular, should be more concerned about this aspect than the very slim chance that they might find themselves bearing the costs of a full opposition procedure. If the system of examination on relative grounds were to be done away with, we further believe that this would result in an overall saving to UK industry.

It used to be said that relative grounds examination resulted in a 'strong' UK registration, which was a benefit to industry. If this were ever the case, it is surely no longer so, since around 40% of all citations are Community Trade Mark registrations, which of course are not tested against UK registrations.

It follows from all the above that the Federation believes that the case for abolition now is even stronger than it was four years ago.

We thank you for the opportunity to contribute to this consultation, and remain at your disposal for any future discussions you may require.

Yours sincerely

John Draper  
Chairman, Trade Marks Committee, TMPDF