IN THE MATTER OF Application No 2100721
by Altmuhltaler Heilquellen GmbH to register a
trade mark in Classes 14, 18, 25, 28, 29, 30, 32 and 33

AND IN THE MATTER OF Opposition thereto
by Mobil Oil Corporation under No 47879

Decision on costs

1. The substantive decision on these proceedings was issued on 26th April 2001. The outcome was that the opponent's grounds of opposition under sections 5(3) and 5(4)(a) failed, but an objection under section 3(6) partially succeeded to the extent that of the eight classes covered by the application at the time of the hearing held on 29 March 2001, the application only proceeded for a restricted list of goods in four of those eight classes. Both parties asked to be allowed to make written submissions on costs once the outcome of the opposition was known. I allowed 21 days after the issue of my written decision for these submissions.

2. The opponent, represented by Clifford Chance filed their written submissions in a letter to the Registrar dated 15th May 2001 and the applicant, represented by David Keltie Associates, did the same in a letter dated some two days later. These represent Annex A and Annex B (respectively) to this decision.

Delays in proceedings prior to the substantive hearing:

3. Both parties requested a number of extensions of time beyond those set in the statutory evidential rounds in order to ostensibly negotiate a settlement, file evidence or amend pleadings. Three interlocutory hearings were held during these periods, resulting in a granted extension in favour of the opponents in one, a cost order of £250.00 against the opponent at another and the refusal of a requested extension of time by the applicants (meaning their evidence in chief was not admitted in to the proceedings) in the third. As a result, the evidential rounds lasted very nearly two and a half years from the start of the proceedings.

The pleadings and substantive hearing:

4. The applicant was remiss in delaying until the day before the hearing to drop four classes from the application thus making redundant the opponent's ground of opposition under section 5(2) of the Act. The opponent's skeleton argument covered this point, although it amounted to no more than a single paragraph. The wasted costs could not therefore have been substantial. Further, the opponent relied upon the same evidence as support for its unsuccessful section 5(3) & 5(4) objections as it did for its section 5(2) objection. Even after the applicant's deletion of four classes from the application, I found that the sweeping specification claims in the other classes were not justified by the applicant's intentions at the relevant date.

5. On the other hand, judging from its decision to continue with the opposition hearing after receiving the applicant's letter dropping the four classes, the opponent's pleadings (which even after amendment, failed to specify or limit the goods or services covered by the objections under sections 5(3)(and 5(4) of the Act), and the submissions I heard at the

hearing, there is nothing to suggest that the opponent would not have pursued its opposition if the applicant had deleted earlier the four classes it belatedly did, or limited its goods to those I eventually allowed. Further, the applicant points out that the opponent also left it until the day before the hearing before it indicated that it was not pursuing a separate ground of opposition based upon the opponent's mark being well known within the meaning of the Paris Convention.

6. The result of the hearing was that the opponent failed on two of the three grounds argued before me, and partially failed on the other. Whether one side was more successful than the other depends upon whether one judges success in terms of the proportion of goods allowed and refused or the number of grounds of opposition that succeeded and failed. Both are relevant. Taking account of the four classes dropped from the application just before the hearing, probably, as the opponent contends, to avoid an adverse finding under section 5(2) of the Act, I regard the outcome as a draw.

Conclusion

7. Costs normally follow the event. On that basis I would normally determine that each side should bear its own costs. I see nothing in the behaviour of the parties that persuades me that I should depart from this on the basis that one side acted significantly more unreasonably than the other (taking into account also the criticism in my substantive decision about the way the opponent 'developed' its case under section 5(3)). Accordingly, I intend to make no order as to costs

Dated this 29TH day of June 2001.

Allan James
For the Registrar
The Comptroller General

Annex in paper copy