

O-160-09

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO 2397943
IN THE NAME OF CHUBB FIRE LIMITED
IN CLASSES 1, 9 AND 37**

AND

**THE APPLICATION
FOR A DECLARATION
OF INVALIDITY THERETO
UNDER NO 83094
BY MINIMAX GMBH & CO KG**

Trade Marks Act 1994

**In the matter of registration no 2397943
in the name of Chubb Fire Limited
in classes 1, 9 and 37
and the application for a declaration of invalidity
thereto under no 83094
by Minimax GmbH & Co KG**

1) On 29 November 2007 Minimax GmbH & Co KG (GmbH) filed an application for the invalidation of registration no 2397943. Registration no 2397943 is for the trade mark MINIMAX. The application for its registration was filed on 28 July 2005 and the registration procedure was completed on 20 January 2006. The trade mark is registered for the following goods and services:

fire extinguishing and fire retarding compositions;

fire extinguishers; fire prevention, fire protection and fire-fighting apparatus, appliances, equipment and systems; parts and fittings for the aforesaid goods;

installation, maintenance, repair and refurbishment of fire extinguishers, fire preventing and fire fighting apparatus, appliances, equipment and systems.

The above goods and services are in classes 1, 9 and 37 respectively of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

The registration is in the name of Chubb Fire Limited (Chubb).

2) GmbH's application is based on sections 3(6), 5(2), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (the Act). Of key relevance to this decision is the ground of opposition under section 5(2) of the Act. GmbH is the owner of trade mark registration no 2340857 of the trade mark MINIMAX. The application for its registration was made on 15 August 2003 and the registration process was completed on 17 October 2008. The trade mark is registered for the following goods:

fire extinguishing agents and compositions; cable coatings for fire protection;

fire extinguishing and fire protection appliances, plants, systems and components therefor; fire-fighting equipment (including mobile equipment), foam tubes, mixers, foam-water hydrants, foam-water guns, portable fire engines; light foam generators, stationary and mobile fire-fighting plant, including plant for ships; sprinkler plant, electrical and electronic monitoring equipment, reporting equipment and control equipment as well as plant made from these; electrical

and electronical apparatus and instruments for fire protection; electrical and electronical control apparatus for fire protection systems; fire detection systems and components therefor; smoke detectors, computer operating programs for fire protection systems; clothing for protection against fire, fire extinguishers and fire extinguishing devices, pipe fire stops, cable fire stops.

The above goods are in classes 1 and 9 respectively of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

3) Chubb denied the grounds for invalidation.

4) GmbH filed its evidence in chief on 21 April 2008. Chubb filed its evidence on 2 June 2008. On 2 October 2008 GmbH filed its evidence in reply. On 19 January 2009 the parties were advised that the hearing for the case had been appointed for 8 April 2009. On 27 March 2009 the representatives of Chubb, Marks & Clerk LLP, advised that it was withdrawing from the proceedings and that it was not its intention to continue with its defence of the registration. **The application became undefended and so, as per Tribunal Practice Notice TPN 7/2007, the application is declared invalid and as per section 47(6) of the Act deemed never to have been made.**

5) Subsequent to the receipt of this communication the Trade Marks Registry (TMR) wrote to the parties to ask for submissions in relation to costs. Both parties filed submissions.

6) It is obvious that registration no 2340857 of GmbH would lead to the invalidation of Chubb's registration under sections 5(1) and 5(2)(a) of the Act. GmbH filed its application under section 5(2) of the Act, however, it would be captious to the most perverse degree to shut out section 5(1) of the Act. At the hearing I would have suggested that GmbH amended its grounds to include section 5(1) of the Act. Owing to the date of registration of GmbH's registration there can be no issue of acquiescence¹.

7) At the time of the application for invalidation GmbH's trade mark was not registered; indeed, it was the subject of an opposition action by Chubb. The opposition succeeded before the registrar; however, it was overturned on appeal by Floyd J in *Minimax GmbH & Co KG v. Chubb Fire Limited* [2008] EWHC 1960 (Pat). Floyd J delivered his judgment on 29 July 2008.

8) In its submissions Chubb referred to its historic interest in the MINIMAX trade mark. It hoped that in considering the award of costs the registrar would take into account its good intention in defending its longstanding history and interests in the trade mark.

¹ See judgment of Warren J in *Sunrider Corporation t/a Sunrider International v Vitasoy International Holdings Limited* [2007] EWHC37 (Ch).

9) GmbH submitted that Chubb had behaved unreasonably , which had resulted in an increase in its costs. GmbH referred to two successful non-use revocation actions that it had brought against Chubb registrations for the trade mark MINIMAX. A decision in relation to these revocations was given on 3 August 2005. GmbH then refers to the opposition by Chubb to its application for registration. GmbH states that owing to an oversight it did not oppose Chubb's registration, the application for which was filed a few days before the issue of the registrar's decision in relation to the revocation action. In May 2006 GmbH wrote to Chubb asking it to abandon its registration, which it refused to do. GmbH states that it has acted reasonably throughout the various proceedings.

10) GmbH states that the contents of Chubb's letter of 27 March 2009 are tantamount to an admission that its defence was a sham and/or doomed to fail. I do not consider that they are tantamount to admission of a sham.

11) GmbH considers that the registrar should depart from the scale of costs. It refers to *Rizla Ltd's Application* [1993] RPC 365, where it was confirmed that in the matter of costs the registrar has a wide discretion. GmbH refers to Tribunal Practice Notices TPN 2/2000 and TPN 4/2007 in relation to costs, in the latter notice off the scale costs were considered as below:

“5. TPN 2/2000 recognises that it is vital that the Comptroller has the ability to award costs off the scale, approaching full compensation, to deal proportionately with wider breaches of rules, delaying tactics or other unreasonable behaviour. Whilst TPN 2/2000 provides some examples of unreasonable behaviour, which could lead to an off scale award of costs, it acknowledges that it would be impossible to indicate all the circumstances in which a Hearing Officer could or should depart from the published scale of costs. The overriding factor was and remains that the Hearing Officer should act judicially in all the facts of a case. It is worth clarifying that just because a party has lost, this in itself is not indicative of unreasonable behaviour

6. TPN 2/2000 gives no guidance as to the basis on which the amount would be assessed to deal proportionately with unreasonable behaviour. In several cases since the publication of TPN 2/2000 Hearing Officers have stated that the amount should be commensurate with the extra expenditure a party has incurred as the result of unreasonable behaviour on the part of the other side. This "extra costs" principle is one which Hearing Officers will take into account in assessing costs in the face of unreasonable behaviour.

7. Any claim for cost approaching full compensation or for "extra costs" will need to be supported by a bill itemizing the actual costs incurred.

8. Depending on the circumstances the Comptroller may also award costs below the minimum indicated by the standard scale. For example, the Comptroller will not normally award costs which appear to him to exceed the reasonable costs incurred by a party”

12) GmbH considers that Chubb has demonstrated unreasonable behaviour in this case and an award of costs off the scale is appropriate.

13) GmbH has supplied a schedule of costs. It states that costs have been kept down by the sparing use of the senior fee earner and counsel. It has filed a breakdown of costs from 11 June 2008 to 19 November 2008.

14) Without the benefit of a hearing and a full decision it is not possible to state that GmbH would have been successful under sections 3(6), 5(3) and 5(4)(a) of the Act. The defence in relation to these grounds was not of itself unreasonable. Success under section 5(2) was contingent on the registration of GmbH's trade mark, and so the defence of itself was not unreasonable; especially as Chubb was opposing the registration of the trade mark and had succeeded in its case before the registrar. However, once Floyd J had given his judgment and no appeal was lodged the outcome of any hearing and decision in relation to this registration was inevitable; the registration would be invalidated. The judgment by Floyd J was delivered on 29 July 2008. Time must be allowed for consideration whether leave to appeal should be requested. Allowing a generous amount of time for such consideration, I consider that from at least 1 September 2008 Chubb knew, or should have known, that its registration was bound to be invalidated. However, the corollary of this is that GmbH would know that it would succeed in its application for invalidation. A large amount of activity took place from September 2008 onwards in relation to collation and preparation of evidence by GmbH. As the opposition under section 5(2) of the Act (and effectively section 5(1)) was bound to succeed it is difficult for me to understand why GmbH chose to continue to collate evidence. I certainly do not see why it should expect to receive specific compensation for the collection and collation of such evidence. The evidence that it collated would have had no outcome on the section 5(2) objection; which was, in the vernacular 'a slam dunk'. However, I accept some actions were taken in relation to the evidence of Messrs Hilger, Talboys, Goben and Ms Thomas prior to the judgment of Floyd J and I will award a limited amount of compensation in costs in relation to this (£200). GmbH requested a hearing, in its letter of 19 November 2008. It is its right to have a hearing. However, I cannot see in such an open and shut case what possible benefit the hearing would have. Once an appeal had not been lodged against the judgment of Floyd J there was only one outcome for this case, an outcome that did not require evidence, that did not even require submissions. Consequently, I am certainly not minded to award costs off the scale in relation to counsel's preparation for the hearing; indeed I am not minded to award costs in relation to counsel's fees at all.

15) In *BUD and Budweiser Budbräu Trade Marks* [2002] RPC 38, Mr Simon Thorley QC, sitting as a deputy judge of the High Court, accepted that off the scale costs could be awarded where a side had behaved unreasonably or put in a large amount of evidence that is of little or no relevance. The evidence filed by GmbH after the judgment of Floyd J would have no effect upon the outcome of the case and so has no relevance. I do not consider it appropriate to penalise GmbH for this evidence, however, I certainly do not see that it can be justified that it should receive any compensation for the evidence.

16) Parties make their choices as to how they prosecute a case but when they seek compensation for those choices the registrar must come to a conclusion as whether they merit compensation in costs. It would have been helpful if Chubb had withdrawn its defence at an earlier date, however, this should not have been determinative upon the actions taken by GmbH following the judgment of Floyd J. It chose to take actions that would have no effect upon the outcome of this case. I see no reason that costs off the scale should be awarded.

17) As GmbH has been successful in its application it is entitled to a contribution towards its costs. I award costs to GmbH based on the scale on the following basis:

Application fee:	£200
Statement of grounds:	£300
Considering statement of case in reply:	£200
Evidence in chief:	£1000
Considering evidence of Chubb	£250
Evidence in reply (as per paragraph 14)	£200
Total:	£2,150

I order Chubb Fire Limited to pay Minimax GmbH & Co KG the sum of £2,150. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 10th day of June 2009

**David Landau
For the Registrar
the Comptroller-General**