

O-005-11

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 2463613 IN THE NAME OF
NEVER GIVE UP LTD TO REGISTER THE TRADE MARK JUICED UP
IN CLASS 43**

AND

**OPPOSITION THERETO UNDER NO. 96827 IN THE NAME OF
JONATHAN OAG OF JUICED UP**

Trade Marks Act 1994

**IN THE MATTER OF application No. 2463613
in the name of Never Give Up Ltd
to register the trade mark JUICED UP in Class 43**

And

**Opposition thereto under No. 96827
in the name of Jonathan Oag of Juiced Up**

BACKGROUND

1. On 15 August 2007, Never Give Up Ltd made an application to register a series of eight trade marks as follow:

Juiced Up
Juiced up
juiced up
JUICED UP
Juiced Up!
Juiced up!
juiced up!
JUICED UP!

2. The application was made in Class 43 and was accepted for the following specification in that class:

Provision of food and drink; restaurant, café, bar and catering services, take away and restaurant services, juice bar, smoothie bar, shakes bar, providing mineral and aerated waters and other non-alcoholic drinks, fruit drinks and fruit juices, sandwiches, healthy snacks, muffins, frozen yoghurt, muesli bars and nutritional supplements; information and advice relating to food and drink.

3. On 10 April 2008, Jonathan Oag of Juiced Up, 100 Bruntsfield Place, Edinburgh, EH10 4ES filed notice of opposition to the application, the grounds of opposition being under Sections 3(6) and 5(4)(a).

4. The applicants filed a counterstatement in which they say the following:

“In December 2007 we were made aware of a company using our trade mark “JUICED UP” and we approached them and asked them not to use it anymore and Jonathon Oag said that they would stop using it once our application had been registered. I said I would contact him after it was registered.

We have never tried to extort money from companies. Mr Oag is making an allegation of commercial fraud which is very serious and we will be persuing him about this.”

5. In paragraphs 77 and 103 of my decision issued on 9 August 2010 I found the grounds under Section 5(4)(a) and Section 3(6) (respectively) to succeed. In proceedings before the Registrar it is usual that a successful party will be awarded costs as a contribution towards the expense of prosecuting the case. As these proceedings involved two unrepresented parties, in accordance with the case law cited I directed Mr Jonathan Oag of Juiced Up to provide a brief schedule of costs setting out any disbursements incurred, any other financial losses claimed and a statement of the time spent in dealing with the proceedings, after which Never Give Up Limited would have the opportunity to provide comments on these costs. Mr Oag filed his schedule but no comments were received from the applicants. So, considering the schedule in the context of the case and the prevailing case law I now go on to issue a supplementary decision on the matter of costs.

6. So how stands the law? In *Rizla Ltd’s Application* [1993] RPC 365, a patents case, Mr Anthony Watson QC, sitting as a Deputy Judge of the High Court held, at paragraph 374:

“The wording of section 107 could not in my view be clearer and confers on the Comptroller a very wide discretion with no fetter other than the overriding one that he must act judicially. I see no reason why the previously adopted practice could not be altered by the Comptroller in the same way as from time to time an important decision leads the courts to adopt a different attitude to what had previously been accepted practice. Thus, if the Comptroller felt it was appropriate, a form of compensatory costs could become the norm”.

7. He went on to say:

“As a matter of jurisdiction, I entertain no doubt that if the Comptroller were of the view that a case had been brought without any bona fide belief that it was soundly based or if in any other way he were satisfied that his jurisdiction was being used other than for the purpose of resolving genuine disputes, he has the power to order compensatory costs.”

8. Under Section 68 of the Trade Marks Act 1994, the Comptroller, and hence any Hearing Officer acting for him has a similarly wide discretion to award costs. This section reads:

“68.-(1) Provision may be made by Rules empowering the registrar, in any proceedings before [him] under this Act-

- (a) to award any party such costs as [he] may consider reasonable, and
- (b) to direct how and by what parties they are to be paid.”

9. Rule 67 states:

“67 The registrar may, in any proceedings under the Act or these Rules, by order award to any party such costs as the registrar may consider reasonable, and direct how and by what parties they are to be paid.”

10. The position is, therefore, that in making an award of costs, the Comptroller will usually look to the published scale (which sets out amounts that may be to be awarded for certain actions depending on the circumstances of the case), but, where he considers the particular facts of the case to be such that an award on this basis would not be just he has the power to make a higher award. In making any higher award, he must be fair and award an amount that is proportionate to the particular circumstances of the case. Accordingly, each case will be decided and turn on its own particular facts. This approach mirrors the Civil Procedure Rules. Although the CPR do not make it clear exactly when indemnity costs orders are appropriate, it was suggested, in the case of *Bowen Jones v Bowen-Jones* [1986] All ER 163, that indemnity costs should only be awarded in “exceptional circumstances” although no direction was given as to what “circumstances” would be considered “exceptional”. What is clear is that advancing a case which is unlikely to succeed or one which fails in fact, is not a sufficient reason for an award of costs on the indemnity basis (*Shania Investment Corp v Standard Bank London Ltd* 2 November 2001 (unreported)).

11. As I have foreshadowed, the fact that these proceedings involved private litigants has a bearing on how costs are determined. In *Adrenalin Trade Mark*, BL O/040/02, Simon Thorley Q.C. sitting as the Appointed Person, observed that:

“6. Under section 68 of the Trade Marks Act 1994, the Registrar is given a wide discretion to award costs. The principles upon which the Registrar will exercise that discretion are set out in a Tribunal Practice Note (TPN 2/2000 – see *Kerly’s Law of Trade Marks* 13th edition page 1009). In general the Registrar proceeds by reference to a scale of costs and it is a long established practice that costs in proceedings before the Registrar are not intended to compensate parties for the expense to which they may have been put. Mr. Knight expressed the policy behind the scale of costs in his decision in this case as follows:

‘That scale of costs is meant to be a reasonable scale based upon the policy that no one should be deterred from seeking to register their intellectual property rights or indeed defend their intellectual property rights so that, for example, if a litigant in person loses an action before the

trade mark registry, he or she would know fairly clearly in advance the sum of money they may have to pay to the other side.’

7. Plainly however a pre-requisite of making an award of costs on the scale of costs is that the award should not exceed the costs incurred.

8. It is correct to point out that the Registrar’s practice on costs does not specifically relate to litigants in person but in my judgment it could not be that a litigant in person before the Trade Mark Registry could be placed in any more favourable position than a litigant in person before the High Court as governed by the CPR. The correct approach to making an award of costs in the case of a litigant in person is considered in CPR Part 48.6.

...

10. As indicated above, the Registrar is given a wide discretion as to costs. The practice note is, and is intended to be, merely guidance as to how the Registrar will, in general, exercise that discretion. It does not and cannot impose a fetter upon the overriding discretion.

11. Part 44.3 of the CPR sets out the circumstances which should be taken into account when a court exercises its discretion as to costs and in my judgment exactly the same principles apply to the Registrar.”

12. I also have regard to the comments of Richard Arnold QC, acting as the Appointed Person in *South Beck* BL O/160/08:

“34. The Registrar is not bound by the CPR. On the other hand, the Registrar is entitled to, and does, have regard to the CPR in exercising his powers in circumstances where the Trade Marks Act 1994 and Trade Marks Rules 2000 do not make specific provision. Section 68 of the 1994 Act and rule 60 of the 2000 Rules give the registrar discretion to “award to any party such costs as she may consider reasonable”, but do not place any constraints upon the exercise of that discretion. I agree with Mr Thorley that (i) an award of costs should not exceed the costs incurred and (ii) a litigant in person should not be in any more favourable position in proceedings in the Registry than he would be in High Court proceedings under CRP r. 48.6. So far as the first point is concerned I note that paragraph 8 of TPN 4/2007 now states:

“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.”

35. Turning to the second submission, I agree with counsel for the opponent that the hearing officer appears to have misapplied CPR r. 48.6 and to have awarded

the applicant two-thirds of the scale costs he would have awarded a professionally represented litigant without reference to the applicant's actual loss or any figure calculated in accordance with r. 48.6(4)(b).

36. In my judgment the approach which should be adopted when the Registrar is asked to make an award of costs in favour of a litigant in person is as follows. The hearing officer should direct the litigant in person pursuant to r. 57 of the 2000 Rules to file a brief schedule or statement setting out (i) any disbursements which the litigant claimed he has incurred, (ii) any other financial losses claimed by the litigant and (iii) a statement of the time spent by the litigant in dealing with the proceedings. The hearing officer should then make an assessment of the costs to be awarded applying by analogy the principles applicable under r. 48.6, but with a fairly broad brush. The objective should be to ensure that litigants in person are neither disadvantaged nor overcompensated by comparison with professionally represented litigants.

37. In the present case I directed the applicant to provide such a schedule. The applicant duly filed a schedule claiming in respect of the proceedings at first instance disbursements of £20 together with mileage of 310 miles. No specific mileage rate was claimed so I propose to apply a rate of 25p per mile, giving a figure of £77.50, making total disbursements of £97.50. The applicant also estimated that it had spent a total of 83 hours dealing with the first instance proceedings. While this seems quite a lot by professional standards, it is appropriate to allow a litigant in person more time for a particular task than a professional advisor would be allowed: *Mealing McLeod v Common Professional Examination Board* [2000] 2 Costs L.R. 223. At the rate of £9.25 an hour, 83 hours comes to £767.75. Accordingly, I shall set aside the hearing officer's costs order and substitute an order that the opponent pay the applicant the sum of £865.25 in respect of the first instance proceedings.

38. So far as the appeal is concerned, the applicant again claimed disbursements of £20 and mileage of 310 miles. It also estimated that it had spent 21 hours dealing with the appeal. Accordingly I shall order the opponent to pay the applicant the sum of £291.75 in respect of the appeal, making a total of £1157."

13. On page 377 of the *Rizla* judgment the Deputy Judge said:

"Counsel was unable to refer me to any reported case where such a strong order for costs had been made by the Comptroller and therefore there is no established yardstick to measure what might be regarded as exceptional. I believe a case such as the present can only be regarded as exceptional if it can be shown that the losing party has abused the process of the Comptroller by commencing or maintaining a case without a genuine belief that there is an issue to be tried, In my view, this is not shown to be such a case... There are of course a large number of other circumstances such as deliberate delay, unnecessary adjournments etc.

where the Comptroller will be entitled to award compensatory costs, but it is unnecessary to define what is clearly a wide discretion.”

14. Mr Oag has assessed his efforts in the preparation of the opposition as being 18hrs of time which even allowing for research appears on the high side. He has not, however, included any time spent in considering the Counterstatement and Statement of case which if added makes the 18hrs a more reasonable statement of the effort. Mr Oag claims a rate of £9.75 per hour which is not excessive. **This amounts to a sum of £175.50 to which must be added the statutory fee of £200 making £375.50.**

15. Originally only the opponent filed evidence in these proceedings consisting of a Witness Statement dated 18 November 2008 from Jonathan Oag. This exhibited various items of promotional literature, business papers, copies of e-mails, and articles and features that had appeared in various publications and on the internet. This material would have taken time to collate but in my view would have been readily available. Mr Oag says that he spent some 55 hours in “research, collection and production” of this evidence which again seems on the high side but does not include time spent travelling to meetings with Callum Johnson. Factoring this in the hours claimed appear proportionate to the output and at the rate of £9.75 amounts to £536.25. On top of this Mr Oag states he spent £74.50 on printing/publishing and £22.00 on postage. I am not sure what the “publishing” involved, but as a totality this appears a reasonable figure in the context of the case. To this should be added 480 miles of travel at a claimed rate of 26p per mile, amounting to £124.80. **Total costs for the preparation and filing of this evidence amounts to £757.55**

16. On 2 June 2009 the customary letter was sent by the Office informing the parties of the papers that had been prepared for the hearing scheduled for 21 July 2009. On 17 July 2009 a fax was received from Mr Blanchard in which he stated that he had not received the Witness Statement filed by the opponents, and making various comments about events that occurred during the application process. After making enquiries it was not possible to be sure that the evidence had reached Mr Blanchard and a further copy was sent.

17. The accompanying letter set a date of 21 August 2009 in which to file any evidence in reply stating that this must be copied to the opponents. The letter also informed Mr Blanchard that the evidence filed in the application process was not on file as the Office had complied with his written request that it be returned to him. The letter informed Mr Blanchard that this evidence could not be considered unless re-filed in accordance with the guidelines also enclosed with the letter. On 20 August 2009 a Witness Statement dated 19 August 2009 from John Blanchard was received. Despite the explicit instructions in the official letter of 2 June 2009, the accompanying letter requested that a copy of evidence filed in the application process be added as exhibits, along with two letters from registry officers and copied to the opponent. This Witness Statement contained little more than comments and submissions rather than evidence of fact. As exhibits it showed a copy of the Form TM8 and Counterstatement, copies of two letters from the Office, the first requesting confirmation of an intention to use, the second stating

that the applications could proceed but advising that this had no bearing on any cases that may become opposed. Additionally, the exhibits included various undated items depicting the name “Energy Juices” and not the mark in suit, JUICED UP. It is difficult to see why it took so long to submit this evidence.

18. In reply Jonathon Oag filed a further (undated) Witness Statement which not unusually for such evidence consisted primarily of a mixture of submission mixed with evidence of fact relating to the setting-up and development of the business. Mr Oag also explained how he came to apply to register JUICED UP in the wrong class and the background to the application expiring. He provided further business materials (menu, discount card, invoices for signage, placing a feature in a publication, leaflet distribution, etc) along with e-mails, articles and features in printed form, and photographs of JUICED UP premises. Mr Oag also provided DVD’s reporting the creation of the JUICED UP business, its selling of juice beverages and the Livewire awards. All of this material may have taken time to gather and present, but was mostly readily available. Mr Oag assesses the time spent in the “research, collection and production” of this evidence to be 42 hours. Allowing for the fact that he is a litigant in person this figure is not excessively high, but when time that must have been spent considering Mr Blanchard’s evidence is added seems wholly reasonable, and at a claimed rate of £9.75 per hour amounts to £409.50. As before, Mr Oag adds the costs incurred in printing/publishing and on postage, a total of £105.00 which I am prepared to accept, as I am the amount of £98.80 for 380 miles of travel (at 26p per mile) including for a meeting with Callum Johnson. Mr Oag also lists £280 as the costs of the production of his DVD evidence. Whilst I would have preferred that this (and the later evidence from this company) be supported by an actual invoice, the applicants have not challenged the amounts claimed. The resulting evidence was material and relevant, and I consider the amount spent in its production to be justified. **The total costs for this stage of proceedings therefore stand at £893.30.**

19. The hearing took place on 14 April 2010, with Mr Blanchard representing the applicants, and Mrs Carole Oag representing the opponent, both on the telephone. Mr Oag says that research, preparation and participation in the hearing took 7 hours of Mrs Oag’s time which he costs at £14.74 per hour. **I have no justification for the increased rate for Mrs Oag but given the likely effort claimed £103.18 seems very reasonable.**

20. At the hearing Mr Blanchard immediately sought to reopen the issue of the evidence filed during the application process, and further claimed that prior to the hearing he had been told that he could not file further evidence, citing this as justification for the hearing to be postponed. There was no record of Mr Blanchard having made any such request nor had any refusal been issued in writing. I refused the request for a postponement which in my mind was nothing more than an attempt to delay the proceedings.

21. Notwithstanding this, in the interests of economy and fairness, and with the agreement of the opponent, Mrs Oag, I allowed Mr Blanchard 14 days from the conclusion of the hearing in which to file any evidence he believed would assist his case, directing that this must relate to the relevant date which is on or before the date of application. I agreed that Mr Blanchard could copy certain business documentation onto a

CD providing this was accompanied by a print of the index files showing the date created and last modified, under cover of a witness statement which was agreeable to Mr Blanchard. The opponents would have 14 days from the date of receipt of this evidence, if any, in which to file any evidence in reply.

22. The evidence filed consisted of a Witness Statement date 16 April 2010 and exhibits, containing the expected denials, claims and assertions, accompanied by various items such as a sample copy of a menu, business card, a "Location Brochure" saying that all of these "...clearly show the use of our trademarks". These items were undated and refer to the name ENERGY JUICES shown with the signification "TM". Other exhibits contained as files on a CD consisted of business documentation dating from November 2006 to August 2007 almost exclusively relating to the intended use of "Energy JuiceTM", with one referring to the mark JUICELING. There is one mention of "juice up" in Exhibit A12, which Mr Blanchard says was changed to "juiced up" because "this sounded better".

23. Setting aside the fact that the evidence barely mentions the mark in suit, I see no reason why it could not have been provided as evidence in chief during the normal evidence rounds. To my mind was it was being provided now to add further inconvenience, delay and costs to the opponents.

24. During the hearing Mr Blanchard requested that Mr Oag substantiate the claims in a BBC report by getting a transcript of "...everything that was said? This is a reference to the report from the BBC website shown as part of Exhibit A4 headed "Trademark scam targets businesses" and recounting the investigations by an investigative reporter with the BBC. Mrs Oag agreed to make a request to the BBC whereupon Mr Blanchard subsequently widened this to requiring a transcript of all contacts, a request that I not only considered impractical, but also unreasonable and disproportionate.

25. Mrs Oag filed a Witness Statement dated 30 April 2010 in reply, essentially questioning why the evidence had not been filed earlier, and expressing reservations as to when the files on the CD "...were actually originally created". To deal with the latter point Mrs Oag provided a Witness Statement from a computer service and data recovery company "...to validate the date the documents..." shown on the CD. This concluded that whilst it is not possible to confirm the date on which they were originally created, and explaining how these could have been altered, also explained how the original dates could have been retained when a document is altered. Not following my directions on the creation of the CD files (or retaining the original dates) caused Mrs Oag to answer the evidence though use of an expert, an action which to my mind was wholly justified.

26. At Mr Blanchard's request, Mrs Oag went to the trouble of obtaining evidence from Mark Daly, the BBC reporter, in which Mr Daly confirms that he had recorded conversations with Mr Blanchard and that that the text he provides is an "accurate transcription of part of that transcript of part of that recording...". Despite various criticisms from Mr Blanchard I found this evidence to be relevant and on point with nothing provided by Mr Blanchard in response, at least nothing new.

27. For the time and effort spent in investigating, collating and preparing this evidence Mr Oag claims 10 hours which does seem to be extremely reasonable even at the higher hourly rate of £14.75 making a total of £147.50. To this is added 220 miles of travel at 26p per mile (£57.20) and £360 for the file investigation by Computer Trouble-shooters. I accept that the latter cost was necessarily incurred by Mr Blanchard's choice to transfer the files to a CD and redact some information, but primarily through his non-compliance with my directions. **The total amount awarded for this stage of the proceedings amounts to £564.70.**

28. Mr Oag claims a further amount of £97.50 for 10 hours spent considering the written submissions filed by Mr Blanchard and in preparing his own submissions in reply. Having reviewed the papers I have no difficulty in accepting this figure. **A further sum of £97.50 shall be added to the costs.**

29. I therefore order that the applicants, Never Give Up Limited, shall pay the opponent, Jonathan Oag, the sum of £2,791.73

30. The period for appeal against the substantive decision and this supplementary decision on costs shall begin to run from the date of this decision. The sum awarded 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 10 day of January 2011

**Mike Foley
for the Registrar
the Comptroller-General**