

O-021-11

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NOS 2453400 and 2453403
BY
BO-BJU LTD**

TO REGISTER THE TRADE MARKS

BO-BJU AND BO-BJU

**AND THE OPPOSITIONS THERETO UNDER NOS 95608 AND 95609
BY
SYKAM SOLUTIONS LTD.**

BACKGROUND

1. I have been asked to provide a statement of reasons for a matter on which I gave a decision at an interlocutory hearing held on 18 November 2010. Ms Catherine McGahan represented her company, the applicant, Bo-Bjú Ltd. Mr Groom, of Groom Wilkes & Wright LLP, represented the opponent, Sykam Solutions Ltd.

2. In order to place the decision in context it is necessary to explain the relationship between these proceedings and the earlier filed invalidation proceedings and the respective stages each had reached at the time of the hearing.

Bo-Bjú Ltd's application to invalidate trade mark number 2413418 'Bo Bijou' in the name of Sykam Solutions Limited

3. Trade mark number 2413418 was filed on 9 September 2006, published on 25 August 2006 and registered on 8 December 2006 in classes 14, 35 and 42. Bo-Bjú Ltd filed a TM26(I), application for invalidity, on 1 February 2007. It was based on an earlier unregistered right under sections 5(4)(a) and 47(2)(b) of the Trade Marks Act 1994 (as amended). Sykam filed a defence on 1 March 2007.

4. A substantive hearing was held on 8 May 2009 before Oliver Morris, which is recorded in his decision referenced BL O-198-09.

The hearing

5. At the hearing Bo-Bjú challenged the evidence provided by the registered proprietor in support of their use of the mark, particularly the submissions of Ms Shan You. Mr Morris stated at paragraph 49 of his decision:

"I regard Ms You as an unreliable witness...Ms You appears to have fabricated certain parts of her evidence and her accompanying story story, perhaps with the intention of exaggerating SSL's claim to senior user status, this, however, means that the real answer is that I do not know what the nature of the business was prior to 2006. The outcome, through clearly

challenged and contradicted evidence, through the consequent unreliability of Ms You as a witness, and through the tainting impact that this has on the evidence as a whole, means that all I can find is that SSL's business selling BoBijou jewellery in the UK is only proven to exist from 2006 onwards. I cannot, therefore, find that SSL is the senior user."

Accordingly, Bo-Bjú's application for invalidation under section 5(4)(a) was successful as the senior user and Sykam's registration was declared invalid and deemed never to have been made.

6. At the hearing Bo-Bjú made a request for costs off the scale. Mr Morris allowed one month for submissions in the form of a breakdown of time and money expended as a result of the proceedings.

Costs hearing

7. Bo-Bjú's breakdown of costs requested an award totalling £32,309.86. Mr Morris acknowledged that the evidence filed by Sykam "...contained a number of statements and documents which, due to BBL's counter-evidence, I found to be misleading and, indeed, some of it was falsified." He confirmed that this was unacceptable behaviour and had caused Bo-Bjú Ltd unnecessary expense. In assessing the award Mr Morris applied the guidance provided by the Civil Procedure Rules and came to a final figure of £5500.

Sykam Solutions Limited's oppositions to trade mark numbers 2453403 'Bo-Bjú' and 2453400 'BO-BJÚ' in the name of Bo-Bjú Ltd

8. Following their application to invalidate Sykam's mark, discussed above, Bo-Bjú Ltd applied to register 'Bo-Bjú' and 'BO-BJÚ', in classes 14, 18, 35 and 42, on 23 April 2007.

Sykam opposed both applications on 5 November 2007 relying on their earlier registered mark 2413418 (the subject of the invalidation proceedings discussed above) under section 5(2)(b) of the Trade Marks Act 1994 ('the Act'). The

oppositions were also brought under section 5(4)(a) of the Act. The oppositions were served on the applicant, Bo-Bjú Ltd, who filed a defence on 30 January 2008.

Following a preliminary indication being issued on 4 March 2008, the opponent's evidence was received on the due date, namely, 1 July 2008. Correspondence was exchanged, regarding translations of the evidence filed by the opponent, resulting in the applicant's due date for evidence being delayed until 13 January 2009.

9. On 27 January 2009 the Registry stayed the opposition proceedings to await the outcome of the invalidation proceedings. Further stays were granted on 26 May 2009 and 20 July 2009.

10. The decision on Bo-Bjú Ltd's application to invalidate TM2413418 'Bo Bijou' in the name of Sykam Solutions Limited was issued on 10 July 2010. On 25 August 2009 Bo-Bjú Ltd wrote to the Registry to request that their trade mark applications proceed to registration as the decision meant that there was no opposition case to answer. The Registry wrote to the opponent on 25 August 2009 stating that the 5(2)(b) ground of opposition had fallen away, as the earlier right had been declared invalid, and requested the opponent confirm whether they intended to continue with the oppositions under 5(4)(a). On 19 November 2009 Bo-Bjú Ltd wrote to the Registry to request that their trade mark applications proceed to registration as the period given for Sykam to respond had lapsed. In its response, dated 24 November 2009, the Registry confirmed that, while no response had been received, the opponent had filed evidence in support of the opposition preventing the Registry from allowing it to lapse. An evidence date was set for the applicant, namely 24 February 2010.

11. On 20 January 2010 Bo-Bjú Ltd wrote to this office and included the following paragraph:

*'In the Decision papers in Invalidity No. 82760 by Bo-Bjú Ltd, the Hearing Officer states, in Point 61, the **Conclusion**, that, "The ground under section 5(4)(a) is successful and, in accordance with section 47(6) of the Act, I hereby declare SSL's registration invalid and the registration deemed never to have been made." Since the grounds and the evidence submitted by the opponent in each case is identical with that before the Hearing Officer in 82760, we*

respectfully submit that there is no case to answer...” The applicant filed evidence on 28 April 2010.

As a result Bo-Bjú requested that the opposition be dismissed. The Registry did not reply to that letter. A reminder was sent by Bo-Bjú on 16 March 2010. On 9 April 2010 the Registry wrote to the applicant upholding the view that a decision must be taken on the opponent’s claim and setting a new date, 9 May 2010, by which evidence must be filed. The applicant filed evidence on 28 April 2010.

12. On 19 May 2010 the Registry wrote to the applicant in the following terms: *“In view of the findings regarding the respective goodwill in the invalidity proceedings the Registry is of the view that the issue of estoppel applies in this instance.”* As a result of the Registry determining estoppel applied, as was suggested in the applicant’s letter dated 20 January 2010,¹ the letter included the preliminary view that oppositions 95608 and 95609 should be struck out. Both parties were given until 2 June 2010 to request a hearing under Rule 63(1) if they disagreed with the view.

13. No response was received from either party and the oppositions were struck out on 28 June 2010.

Costs

14. On 28 June 2010 the applicant filed a letter at the Registry requesting costs off the Comptroller’s scale. Once in possession of comments from both parties a preliminary view was issued on 27 September 2010, awarding costs of £1200 in favour of Bo-Bjú Ltd. This was broken down as follows:

Considering Form TM7	x 2 @ £200	£400
Filing Form TM8	x 2 @ £300	£600
Consideration of evidence filed	x1 @ £200	£200
TOTAL		£1200

¹ Reproduced above at paragraph 11.

Bo-Bjú Ltd requested a hearing under rule 63(1) Trade Marks Rules 2008.

Interlocutory Hearing 18 November 2010 regarding costs off the scale

15. The issue before me was the Registry's preliminary view, of 27 September 2010, which awarded the opponent £1200 costs. Bo- Bjú Ltd contested the preliminary view not to award costs off the scale.

16. In her submissions Ms McGahan, for Bo- Bjú Ltd, referred me to *Rizla Ltd's Application* [1993] RPC 365, and in particular the comments of Anthony Watson QC at page 377 which states that a case should only be regarded as exceptional, and therefore attract costs off the scale, 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.*" She submitted that the opponent launched oppositions 95608 and 95609 without a genuine belief that there was an issue to be tried.

17. In his submissions for the opponent, Mr Groom maintained that at the time the opposition proceedings were commenced by Sykam Solutions Ltd, the opponent had a valid registration on which to base its objection and furthermore was unaware of any unregistered rights that may have rested with the applicant.

18. In reaching my decision I took the comments in *Rizla* into account as well as the fact that Bo- Bjú Ltd had not suffered a greater evidential burden in the opposition cases because the opponent relied on the same evidence as that submitted in the earlier invalidation proceedings. In fact, Bo- Bjú Ltd filed identical evidence in the opposition and invalidation proceedings.

19. I was not persuaded that an award of costs above the scale was appropriate but did consider that the factors merited an award higher on the scale. I awarded £1700 in favour of Bo- Bjú Ltd. This was broken down as follows:

Considering Form TM7	x 2 @ £300	£600
Filing Form TM8	x 2 @ £300	£600

Consideration of evidence filed	x1 @ £500	£500
TOTAL		£1700

20. Bo- Bjú Ltd filed a TM5, requesting a written statement of the grounds for my decision, at the Registry on 7 December 2010.

The Law

21. The Registrar's discretion in awarding costs is provided by Rule 67 of the Trade Marks Rules 2008 (as amended) which states:

"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."

22. In calculating the award I have taken into account Mr Groom's submission that at the time the oppositions to Bo- Bjú Ltd's marks were filed (on 5 November 2007) Sykam were the proprietors of an earlier registered mark which formed the basis for those oppositions. They had yet to file their evidence in respect of the invalidation proceedings and the determination on the issue of which party was senior user had yet to be made.

23. I am also conscious of the fact that the continuation of the opposition proceedings was at the request of the Registry, not Sykam, and that the evidence filed by Bo-Bjú was necessitated by the Registry not picking up on the estoppel issue raised in applicant's letter dated 20 January 2010, though it was not raised in those terms.²

Conclusion

24. Taking all of the circumstances into account, and being mindful of the fact that both parties filed identical evidence in both sets of proceedings, I consider it appropriate that the cost award should be higher than the minimum on the

² Discussed at para. 11

Comptroller's scale, but I am not persuaded that the factors merit a second off the scale costs award in the related proceedings.

25. I order Sykam Solutions Ltd. to pay Bo- Bjú Ltd the sum of £1700. 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 26 day of January 2011

**Ms Al Skilton
For the Registrar,
the Comptroller-General**