

O-425-12

SUPPLEMENTARY DECISION ON COSTS

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2594309
BY
DAVID BELL-GAM
TO REGISTER THE TRADE MARK**



IN CLASSES 16, 18 AND 25

AND

**THE OPPOSITION THERETO
UNDER NO 102832
BY
STRELLSON AG**

SUPPLEMENTARY DECISION ON COSTS

1. On 12 September 2012, I issued a substantive decision in these proceedings in which Mr Bell-Gam, the applicant, was wholly successful in defeating an opposition, by Strellson AG, to his trade mark application. In relation to costs, I said:

“46. Mr Bell-Gam has been successful and is entitled to a contribution towards the cost of the time he has spent on these proceedings. The Registrar usually operates on a published scale of costs¹. However, since Mr Bell-Gam has not been professionally represented during the proceedings, an award made from the published scale might be larger than his actual expenditure. In BL O/160/08 *South Beck*, Mr Richard Arnold QC, sitting as the appointed person, stated:

“32. Secondly, counsel for the opponent submitted that, if CPR r. 48.6 was applicable, the hearing officer had misapplied it. In support of this submission he pointed out that CPR r. 48.6(4) provides:

The amount of costs to be allowed to the litigant in person for any item of work claimed shall be-

(a) where the litigant can prove financial loss, the amount that he can prove he has lost for time reasonably spent on doing the work; or

(b) where the litigant cannot prove financial loss, an amount for the time reasonably spent on doing the work at the rate set out in the practice direction.

The Part 48 Practice Direction provides at paragraph 52.4 that the amount which may be allowed to a litigant in person under rule 46.8(4) is £9.25 per hour. Counsel submitted that the hearing officer appeared to have awarded the applicant two-thirds of the scale figure which he would have awarded a represented party, and that this could not be justified since the opponent had not proved any financial loss and was very unlikely to have spent over 160 hours on the matter.....

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

¹ Tribunal Practice Notice 4/2007.

overcompensated by comparison with professionally represented litigants.”

Under the current practice direction, the amount allowed to a litigant in person is £18 per hour.

47. Consequently, Mr Bell-Gam should produce an estimate of his costs, including the number of hours that he has spent on these proceedings, broken down by category of activity, i.e. reviewing the notice of opposition, completing the counterstatement, reviewing the opponent’s evidence and submissions and compiling his own evidence and submissions. This should be filed within 21 days of the date of this decision and should be copied to the opponent who will have 10 days from receipt of the estimate to provide written submissions. I will then issue a supplementary decision covering the costs of these proceedings.

48. The period for any appeal against this decision will run concurrently with the appeal period for the supplementary decision on costs and so will not commence until the supplementary decision is issued.”

2. On 16 September 2012, Mr Bell-Gam filed an estimate of his costs, which he assessed as follows:

Activity	Hours	Cost
Preparing a statement and considering the other side’s statement	30	£540
Preparing Evidence and considering and commenting on the other side’s evidence	48	£864

Delivery Expenses of documents while overseas:

International recorded delivery fees for sending documents	£40
Transport to and from post office in Holland	£20

Loss of earnings as a direct result of these proceedings	£2500
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Total: £3964

3. On 26 September 2012, the opponent filed a response to Mr Bell-Gam’s estimate of costs. The opponent agrees that Mr Bell-Gam should receive a measure of costs as he has been the successful party; however, the opponent disputes the amount sought. The opponent submits that the scale of costs should be applied, there being no reason for an award to be made off the scale. Further, costs are contributory, not

compensatory. The opponent also submits that the loss of earnings claim of £2500 has not been explained and is arbitrary, as is the 78 hours claimed for the two documents submitted by Mr Bell-Gam, which is also high. Nor should the opponent be expected to pay for postage and transportation costs. The opponent submits that £400 would be appropriate as an award of costs to Mr Bell-Gam.

4. I agree that I should assess the matter according to the standard scale in that there are no reasons to award costs off the scale. I also agree that, in the vast majority of cases before the Registrar, cost awards are intended to be contributory, not compensatory. Compensatory costs entail an award off the scale, which is not appropriate in these proceedings.

5. The opponent's evidence was scant. Most of Mr Bell-Gam's evidence was in the form of submission (some of which I commented on as being irrelevant for these proceedings). Where it was factual, the evidence did not entail research or the contacting of other people, but was a narrative concerning the genesis of his trade mark.

6. If Mr Bell-Gam had been represented, I would have awarded costs in the following way:

£200 for considering the opposition statement and filing the counterstatement;
£500 for considering the opponent's evidence and filing the applicant's evidence

This is a total of £700, there being no hearing and no written submissions in lieu of a hearing from either side. As Mr Arnold said in *South Beck*, I should make an assessment with the objective being to ensure that litigants in person are neither disadvantaged nor overcompensated by comparison with professionally represented litigants. Mr Bell-Gam seeks an award of £3964, which is a figure substantially higher than the £700 he would have been awarded if he had been professionally represented. £3964 is inappropriately high and would overcompensate Mr Bell-Gam in comparison with professionally represented litigants. I decline to award this amount. Instead, I will make an assessment applying the "fairly broad brush" referred to by Mr Arnold.

7. I bear in mind that it is appropriate to allow a litigant-in-person more time for a particular task than a professional adviser would be allowed² because they are unaccustomed to the work. Even allowing for the likely fact that the work he put into the proceedings would have taken him longer than a professional adviser, Mr Bell-Gam's estimate of 78 hours is excessive. This is more than two average working weeks' worth of hours. The perusal of the opponent's evidence would not have been onerous because it was so scant. Mr Bell-Gam's own evidence was short and some of it was irrelevant to the proceedings. I am alive to the fact that the opponent's twenty-five page-long notice of opposition, which was based on two (very similar) earlier marks, with long specifications of goods, under sections 5(2)(b) and 5(3) of the Trade Marks Act 1994, and supplemented by a statement of grounds, would have taken some understanding by Mr Bell-Gam, as a litigant in person. Allowing for the likelihood that Mr Bell-Gam would have spent time researching the website of the

² As per Mr Geoffrey Hobbs Q.C., sitting as the Appointed Person in *Bluebird*, BL O/020/12.

Intellectual Property Office in an effort to understand the position he found himself in on receipt of the opposition, and the requirements of him in defending the opposition, I am prepared to allow four seven-hour working days, at £18 per hour, for the work Mr Bell-Gam put into the proceedings. This is a total of £504. There will be no award in relation to the unexplained loss of earnings figure: (i) because it is unexplained and (ii) for the reasons already explained in paragraph 6 above regarding compensation/contributions. Finally, I do not consider it appropriate to make an award in relation to postage and transport to the post office in Holland. The documents which Mr Bell-Gam filed could have been sent by fax rather than posting the originals by recorded delivery but, in any case, applying the broad brush approach, postage costs are ordinary costs incurred in proceedings, to be absorbed by the parties.

8. I therefore award costs to Mr Bell-Gam of **£504**. This amount neither disadvantages nor overcompensates Mr Bell-Gam by comparison with professionally represented litigants.

9. I hereby order Strellson AG to pay David Bell-Gam the sum of £504. This sum should 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. The appeal period in relation to the substantive decision will run concurrently with the appeal period for this decision.

Dated this 29th day of October 2012

**Judi Pike
For the Registrar,
the Comptroller-General**