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THE UK INTELLECTUAL PROPERTY OFFICE  
Royal Courts of Justice  
The Rolls Building  
7 Rolls Buildings  
London EC4A 1NL  
Wednesday, 8th January 2014

Before:  
MR. G. HOBBS QC  
(The Appointed Person)  
- - - - -

In the matter of THE TRADE MARKS ACT, 1994.

and

In the matter of An application by The Edge Interactive  
Media Inc. for the recordal of a partial  
assignment of trade mark registration  
numbers 2552136 and 2552147

and

In the matter of An appeal to the Appointed Person

and

In the matter of An application for further security for  
costs

- - - - -  
Appeal from the  
Decision of Mr. D. Landau  
- - - - -

(Computer-aided transcript of the Stenograph Notes of  
Marten Walsh Cherer Ltd., 1st Floor, Quality House,  
6-9 Quality Court, Chancery Lane, London WC2A 1HP.  
Telephone No: 020 7067 2900. Fax No: 020 7831 6864  
e-mail: info@martenwalshcherer.com)  
- - - - -

MR. JIM PEARSON (of Abel & Imray) appeared for the Applicant.  
MR. BEN LONGSTAFF (instructed by Collyer Bristow) appeared for the  
Respondent.

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DECISION AS APPROVED BY THE APPOINTED PERSON  
- - - - -

1 THE APPOINTED PERSON: On 7th March 2012 The Edge Interactive  
2 Media Inc. applied to the Registrar by means of a Form TM16  
3 signed by Dr. Timothy Langdell on its behalf for recordal of  
4 an assignment to it of some but not all of the rights to which  
5 Future Publishing Limited was entitled as registered  
6 proprietor of United Kingdom registered trade marks 2552136  
7 and 2552147. I understand that no Deed of Assignment was  
8 attached to the Form TM16.

9 The Registry asked Future Publishing Limited for its  
10 comments on the application. It denied knowledge of any  
11 assignment and maintained that whatever The Edge Interactive  
12 Media Inc. and Dr. Langdell were attempting to rely on by way  
13 of assignment should be regarded as void or invalid and of no  
14 effect. That resulted in the application for recordal  
15 becoming the subject of an inter partes dispute in  
16 "proceedings before the Registrar" as defined in Rule 77 of  
17 the Trade Marks Rules 2008, with the protagonists to the  
18 dispute being The Edge Interactive Media Inc. (which I shall  
19 refer to as "EIM") and Future Publishing Limited (which I  
20 shall refer to as "Future").

21 The dispute was determined adversely to EIM for the  
22 reasons given by Mr. David Landau in a written decision issued  
23 on behalf of the Registrar under reference BL O/283/12 on 25th  
24 July 2012. In paragraphs 28-31 and 37 of his decision, the  
25 Hearing Officer found that EIM and Dr. Langdell were falsely

1 claiming that an assignment had been executed in favour of EIM  
2 on 30th July 2010. For reasons which are not immediately  
3 apparent to me, the decision made no provision for the costs  
4 of the proceedings in the Registry.

5 On 21st August 2012 EIM appealed to an Appointed Person  
6 under section 76 of the Trade Marks Act 1994, contending, in  
7 substance, that the assignment of 30th July 2010 upon which it  
8 relied was valid and effective and that the Hearing Officer's  
9 decision to the contrary was wrong and should be reversed.

10 The grounds of appeal extended over ten closely typed  
11 pages and raised numerous points of fact and law in support of  
12 the challenge to the decision under appeal.

13 Future filed a respondent's notice on 27th December 2012  
14 asking for the Hearing Officer's decision to be upheld on  
15 grounds additional to those on which he had relied.

16 On 30th August 2012, Future's trade mark attorneys of  
17 record wrote to the Registry requesting inter alia an order  
18 for security for costs in respect of the pending appeal.  
19 Section 68(3) of the Trade Marks Act 1994 makes it clear that:  
20 "Provision may be made by rules empowering the registrar, in  
21 such cases as may be prescribed, to require a party to  
22 proceedings before him to give security for costs, in relation  
23 to those proceedings or to proceedings on appeal, and as to  
24 the consequences if security is not given."

25 Rule 68 of the Trade Marks Rules 2008 provides as

1 follows: "68. – (1) The registrar may require any person who  
2 is a party in any proceedings under the Act or these Rules to  
3 give security for costs in relation to those proceedings; and  
4 may also require security for the costs of any appeal from the  
5 registrar's decision.

6 (2) In default of such security being given, the  
7 registrar, in the case of the proceedings before the  
8 registrar, or in the case of an appeal, the person appointed  
9 under section 76 may treat the party in default as having  
10 withdrawn their application, opposition, objection or  
11 intervention, as the case may be."

12 Rule 73(4) confirms that Rule 68 shall apply to the  
13 Appointed Person and to proceedings before the Appointed  
14 Person as it applies to the Registrar and to proceedings  
15 before the Registrar.

16 The Registry wrote to the parties in the following terms  
17 on 25th September 2012: "The applicant's request for Security  
18 of Costs is a matter for the Tribunal to consider and it is  
19 the Registry's preliminary view is that security of Costs  
20 should be ordered, the Registry is of the opinion that the  
21 reasons given are adequate to support the request.

22 "In terms of the amount of security of Costs the  
23 Registry feels that off-scale costs are not appropriate, the  
24 security is in relation to the appeal only, particularly  
25 bearing in mind that no costs were awarded as part of Mr.

1 Landau's decision, the Registry would suggest a quantum of  
2 £1000.

3 "If either party disagrees with the preliminary view,  
4 they should provide full written arguments against the  
5 preliminary view and request a hearing under Rule 63(1) on or  
6 before 8 October 2012.

7 "If no response is received within the time allowed, the  
8 preliminary view will automatically be confirmed."

9 Neither party availed itself of the opportunity to  
10 attend a hearing. The Registry therefore confirmed its  
11 preliminary view and required EIM to provide security for  
12 costs in the sum of £1,000 within one month of 12th December  
13 2012. In the event, EIM provided security by transferring  
14 £994 (i.e. £1,000 minus the cost of transfer) to the Registry  
15 in January 2013.

16 Future now applies to me for an order requiring EIM to  
17 provide further security for the costs of the pending appeal.  
18 The previous order for security was not a determination of  
19 issues but merely an exercise of discretion in the context of  
20 a decision whether or not to grant a discretionary procedural  
21 remedy. It does not prevent Future from applying under Rule  
22 73(4) for further security to be provided; nor is it abusive  
23 for Future to seek further protection on that account if  
24 further protection be needed.

25 Events as they have unfolded since EIM filed its Notice

1 of Appeal on 21st August 2012 make it abundantly clear that  
2 EIM and Dr. Langdell are not willing to comply with costs  
3 orders made against them for the benefit of Future by courts  
4 of competent jurisdiction in the United Kingdom. On the  
5 contrary, they are determined to make it as difficult and  
6 expensive as they can for Future to enforce orders for costs  
7 that have been made in its favour. That is amply borne out  
8 by: (1) their failure to comply with Proudman J's order of  
9 7th July 2011 in High Court claim number HC 09 C022265  
10 requiring them to pay £340,000 to Future on account of costs;  
11 (2) their failure to comply with Lewison LJ's order of 7th  
12 February 2012 requiring them to pay £36,500 to Future in  
13 respect of its costs of their unsuccessful application for  
14 permission to appeal and a stay of execution in relation to  
15 Proudman J's order of 7th July 2011; (3) their unwillingness  
16 to abide by the order for summary judgment made against them  
17 on 20th November 2013 by the Honorable Justice Goldstein of  
18 the Los Angeles Superior Court, providing for enforcement of  
19 Proudman J's order for payment of £340,000 on account of  
20 costs; and, (4) their application of 19th December 2013,  
21 returnable before the Los Angeles Superior Court on 29th  
22 January 2014, seeking reconsideration of the order for summary  
23 judgment made by the Honorable Justice Goldstein on 20th  
24 November 2013, or in the alternative, for a stay of  
25 enforcement of her order for summary judgment.

1           I cannot overlook or ignore the fact that Future has  
2           encountered a high degree of obstruction in pursuit of its  
3           lawful claims for redress against EIM and Dr. Langdell. It  
4           can be seen from the judgment delivered by Proudman J under  
5           reference [2011] EWHC 1489 (Ch.) on 13th June 2011 and from  
6           the brief assessment of it given by Lewison LJ in his judgment  
7           of 7th February 2012, that Dr. Langdell has been prepared to  
8           resort to forgery and perjury in an effort to thwart  
9           enforcement by Future of its legal rights against him and his  
10          company EIM.

11           In the circumstances, I think it is essential that  
12          Future should have the protection of an order for security in  
13          respect of the costs of the present appeal. I note that no  
14          evidence has been put before me to show that EIM would be  
15          unable to provide security or unable to proceed with its  
16          appeal if it was required to do so.

17           The figure of £1,000 thus far deposited with the  
18          Registry is nowhere near adequate to provide protection in  
19          relation to the burden of costs that EIM's appeal is liable to  
20          impose upon Future. It should also be recognised that if an  
21          award of costs was made in favour of Future, it might well be  
22          set at a level intended to reflect what would, in the context  
23          of the outcome I am required to consider, be its true costs of  
24          successfully defending a deceitful appeal.

25           The grounds of appeal raise issues of fact and law which

1 are complex and by no means usual or standard in appeals from  
2 the Registrar. They are linked to matters considered and  
3 determined by Proudman J in the judgment she delivered on 13th  
4 June 2011. Paragraph T of the grounds of appeal states as  
5 follows: "As to the red herring that EIM did not mention the  
6 Deed of Assignment in its attempts to file an opposition to  
7 the instant applications, the fact is that EIM was advised by  
8 counsel - perhaps wrongly - that it should not reference the  
9 Deed of Assignment until after the marks in question had  
10 matured to the UK register. It was for this reason, and this  
11 reason alone that EIM did not reference the Deed, not because  
12 EIM had not executed the Deed in 2010 as claimed. And as EIM  
13 attested in the hearing, once it became obvious that the marks  
14 in question had matured to the UK register, EIM withdraw its  
15 attempts to oppose the marks in question, and instead filed  
16 the assignment to assign the majority of the marks to EIM.  
17 This was entirely consistent with EIM's position that it did  
18 execute the Deed in July 2010, and yet this fact was ignored  
19 by the hearing officer."

20 If this were taken to result in a waiver of privilege,  
21 there could be a re-run of the situation referred to in  
22 paragraphs 24-37 of Proudman J's judgment, with the potential  
23 to open up a Pandora's box on this appeal.

24 The costs of the present appeal will include the costs  
25 of today's hearing and the costs of preparing and presenting



1 argument at what I anticipate will be a full day's hearing on  
2 the merits.

3 Taking account of the factors I have referred to, I  
4 think it would be proportionate and reasonable at this stage  
5 of the proceedings to require EIM to provide security for the  
6 costs of the appeal in the sum of £12,500.

7 I direct EIM to pay that amount in sterling into the  
8 Registry account which contains the £1,000 already deposited  
9 pursuant to the previous order and to do so by no later than 4  
10 p.m. UK time on 29th January 2014.

11 I further direct that in the event of failure to comply  
12 with that order for security, the appeal brought by EIM shall,  
13 without further order, be treated as having been withdrawn.  
14 That is my decision on this application.

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