

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION No. 2144319
IN THE NAME OF HOO HING HOLDINGS LIMITED**

**AND IN THE MATTER OF AN APPLICATION FOR A DECLARATION OF
INVALIDITY THEREOF UNDER No. 81958
BY TRESPLAIN INVESTMENTS LIMITED**

**AND IN THE MATTER OF AN APPEAL TO THE APPOINTED PERSON
BY THE APPLICANT
AGAINST A DECISION OF MRS A. CORBETT DATED 12 AUGUST 2013**

**AND IN THE MATTER OF APPLICATIONS FOR SECURITY FOR COSTS FOR
THE APPEAL AND OTHER DIRECTIONS RELATING TO EU COSTS
BY THE REGISTERED PROPRIETOR/RESPONDENT**

DECISION

Introduction

1. On 22 May 2014, I heard 2 interim applications by Hoo Hing Holdings Limited, who is the Registered Proprietor of UK Trade Mark Registration number 2144319 and the Respondent to this appeal (“Hoo Hing”). Those interim applications concerned requests by Hoo Hing of the Appointed Person for:
 - (1) An order that security for the costs in relation to this appeal be paid by Tresplain Investments Limited, who is the Applicant for a declaration of invalidity and the Appellant to this appeal (“Tresplain”).
 - (2) Directions relating to certain EU costs, payment of which was outstanding on the part of Tresplain to Hoo Hing.
2. Hoo Hing stated that request (1) was made under Section 68(3) of the Trade Marks Act 1994 and Rule 68 of the Trade Marks Rules 2008, and request (2) under Rule 62(1)(f) and (3) of the Rules. There was no dispute that (if otherwise applicable) the powers conferred by these provisions upon the Registrar, were equally exercisable by me on appeal by virtue of Rule 73(4).
3. Hoo Hing’s requests were made in a letter, dated 30 October 2013, from Hoo Hing’s trade mark attorneys, Page Hargrave, to the UK IPO. Unfortunately, the requests were not brought to my attention until Page Hargrave sent a reminder by email, dated 28 March 2014, to the Treasury Solicitor (“TSol”) in response to TSol’s written notification to the parties, dated 17 March 2014, of the date and time appointed for the hearing of the appeal on 22 May 2014.

4. In response to my Directions issued through TSol, dated 7 April 2014, Stobbs, Tresplain's trade mark attorneys, stated in an email to TSol, dated 27 April 2014, that Tresplain did not resist either of the requests made by Hoo Hing.
5. However, the parties could not agree the terms of a proposed Order for this tribunal to give effect to what had been agreed by consent. Hence the need for me to hear the parties on 22 May 2014, which was re-designated an interim hearing (with the hearing of the substantive appeal being adjourned until further notice).
6. At that interim hearing, Mr. Michael Edenborough QC, instructed by Page Hargrave, appeared on behalf of Hoo Hing. Mr. Julius Stobbs, instructed by Stobbs, appeared on behalf of Tresplain.
7. After hearing the parties and having reviewed the relevant papers on file, I granted request (1) but refused request (2) for reasons which I would set out in my written decision. Before doing so, it is necessary to say something of the background to the requests.

Background in brief

8. Registration number 2144319 is for the figurative trade mark GOLDEN ELEPHANT in Class 30 for rice. It was applied for by Hoo Hing on 8 September 1997 and entered on the Register on 2 July 1999.
9. Tresplain filed an application to declare the registration invalid on 3 December 2004 under Section 5(2), 5(3) and 5(4)(a) of the Act.
10. The Section 5(2) and 5(3) grounds were based on Tresplain's earlier CTM Registration number 241810, filed on 29 April 1996 and registered on 4 February 1999, for the figurative trade mark GOLDEN ELEPHANT BRAND in Class 30 for rice.
11. On 5 August 2005, Hoo Hing applied at OHIM to declare invalid Tresplain's earlier CTM on the basis of *inter alia* Hoo Hing's alleged earlier non-registered rights under Article 8(4) of Council Regulation (EC) 40/94 (now Council Regulation (EC) 209/2007). Tresplain successfully defended that application before the OHIM Cancellation Division, but was unsuccessful at each stage on appeal, culminating in an Order of the Court of Justice of the EU in Case C-76/11 P, *Tresplain Investments Ltd v. OHIM* [2011] ECR I-0182, when Tresplain's CTM was finally declared invalid.
12. During the OHIM and CJEU proceedings concerning Tresplain's CTM, the UK invalidation proceedings were stayed by the UK IPO.
13. When resumed, Tresplain sought an amendment of its grounds for invalidity of Hoo Hing's UK Registration number 2144319 to add a further ground based on a well-known mark under Section 6(1)(c) of the Act, which was refused by the Registrar. I understand that at that case management hearing, Hoo Hing was granted by the Registrar security for costs in the sum of £2000 in relation to the invalidation proceedings.

14. The UK invalidation proceedings accordingly proceeded on the sole basis of Tresplain's objection under Section 5(4)(a) of the Act. It was heard by Mrs. Ann Corbett, for the Registrar, at an oral hearing on 22 April 2013, when the parties were represented by Mr. Stobbs (Tresplain) and Mr. Edenborough (Hoo Hing) as they were before me.
15. In a Decision issued on 12 August 2013, BL O/322/13, Mrs. Corbett rejected the application for a declaration of invalidity, primarily because in her view Tresplain had not succeeding in proving UK goodwill in its mark at the relevant date. Secondly, she considered that Hoo Hing had proved independent goodwill in its mark.
16. On 10 September 2013, Tresplain filed Notice of appeal to the Appointed Person against those findings of Mrs. Corbett under Section 5(4)(a).
17. There is 1 further set of proceedings that I should mention by way of background. That is Tresplain's opposition at OHIM, filed under number B 651655 on 2 December 2003, against Hoo Hing's CTM Application number 2957538 filed on 29 November 2011 for the same trade mark as in the UK proceedings for various goods including rice. The OHIM Opposition Division rejected Tresplain's opposition in a Decision of 10 July 2012, and Hoo Hing's CTM was registered on 16 October 2012.

Security for costs

18. As stated the relevant provisions are Section 68(3) of the Act and Rules 68 and 73(4) of the Rules. Since the parties were *ad idem* as to the extent of my powers, and the making and terms of an order for security for costs for this appeal, there is no need to consider these provisions further.
19. Hoo Hing requested security for costs in relation to the appeal in the sum of £2600, to be paid to, and held to the order of both parties by, Stobbs by 6 June 2014, in default of which the appeal should be deemed to be withdrawn on the part of Tresplain.
20. Mr. Edenborough explained that the sum of £2600 included an amount required to make up the shortfall in the amount already being held by Stobbs as security for costs for the proceedings below. That security was in the sum of £2000 but the Hearing Officer had made a costs award in Hoo Hing's favour of £2300 (i.e. leaving a shortfall of £300). On the assumption that Hoo Hing were the successful party on appeal, the likely costs award to his client in respect of the appeal would be £2300 (following that at first instance), giving the total sum required for security in the sum of £4600.
21. On Mr. Stobbs confirming his client's entire agreement to these arrangements, I signified to the parties at the hearing that I would make an Order in these terms, and do so below.

Payment of EU costs

22. This was the contentious issue. Hoo Hing requested that I make an order:
 - (1) requiring Tresplain to pay the outstanding costs ordered to be paid in relation to the EU proceedings mentioned at paragraphs 11 and 17 above (i.e. the 3 appeals c.f. Tresplain's invalidated CTM 241810 and Tresplain's opposition to

Hoo Hing's CTM Application 2957538 respectively). These outstanding costs totalled around £17,700 (applying today's Euro/GBP conversion rate);

- (2) if these outstanding EU costs were not paid by Tresplain to Hoo Hing by 6 June 2014, deeming the present appeal withdrawn on Tresplain's part.
23. Mr. Edenborough argued that Rule 62(1) conferred upon the Registrar and, coupled with Rule 73(4), upon me, the widest powers to do anything that was just and equitable in relation to this appeal. This included under Rule 62(1)(f) and 62(3)(b), making the continuance of the present appeal conditional upon Tresplain meeting by 6 June 2014, its obligations to pay Hoo Hing the costs ordered by: (a) the OHIM Board of Appeal, the General Court and the CJEU respectively in relation to the invalidation of Tresplain's CTM 241810; and (b) the OHIM Opposition Division in respect of Tresplain's opposition to Hoo Hing's CTM Application 2957538. Mr. Edenborough emphasised the wording "as the registrar thinks fit" in Rule 62(1). He also contended that the EU invalidation proceedings were intimately involved with the present appeal, although he conceded that the OHIM opposition proceedings were not.
24. Rule 62(1)(f) and 62(3) state:
- "62.-(1) Except where the Act or these Rules otherwise provide, the registrar may give such directions as to the management of any proceedings as the registrar thinks fit, and in particular may –
- [...]
- (f) stay the whole, or any part, of the proceedings either generally or until a specified date or event;
- [...]
- (3) When the registrar gives directions under any provision of these Rules, the registrar may –
- [...]
- (b) specify the consequences of failure to comply with the directions or a condition;"
25. Mr. Stobbs, on the other hand, argued that neither the Registrar, nor I, had power under the Act or Rules to enforce the costs orders of other courts. Further, the appeal involved only Section 5(4)(a) of the Act, and Tresplain's UK unregistered rights in GOLDEN ELEPHANT BRAND. The case no longer had anything to do with Tresplain's invalidated CTM.
26. Without this tribunal in any way condoning (which it does not) Tresplain's non-payment to date of the outstanding EU costs ordered against it, I accept the arguments of Mr. Stobbs.

27. The Registrar's (and consequently my) powers under Rule 62 are restricted to proceedings under the Act or the Rules, i.e., proceedings relating to trade marks registered, protected or applied for under the Act. In my judgment, they do not extend to the enforcement of the EU costs claimed.
28. Whilst a history of non-payment of court costs by the other side, may be taken into account by the Registrar or the Appointed Person when making an order for security for costs in relation to proceedings under the Act or Rules, or on an appeal from the Registrar's decision (*The Edge Interactive Media Inc.'s Application*, BL O/043/14, 8 January 2014), this tribunal has no power to enforce payment of those court orders. Instead, the usual enforcement procedures should be relied upon (albeit in this case, in Hong Kong).
29. Accordingly, I refused Hoo Hing's request (2).

Conclusion and costs

30. Hoo Hing's request for security for costs for the appeal was successful.
31. I will order that Tresplain pay security for costs for this appeal in the sum of £2600, to be paid to Stobbs by **6 June 2014**, and to be held by Stobbs to the order of both parties. I further direct that in the event of failure to comply with this order for security, the appeal brought by Tresplain shall, without further order, be treated as having been withdrawn.
32. Hoo Hing's request for directions in relation to the outstanding EU costs was denied.
33. Those are my decisions on the applications.
34. In the circumstances, I consider that the appropriate course is for each party to bear its own costs of, and associated with, this interim hearing.

Professor Ruth Annand, 27 May 2014