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In the matter of THE TRADE MARKS ACT 1994

and

In the matter of TRADE MARK REGISTRATION 1332605 IN THE NAME OF SHENZHEN SHANLING DIGITAL TECHNOLOGY DEV. CO. LIMITED

AND

**In the matter of AN APPLICATION TO RECTIFY THE REGISTER (UNDER NO. 84215)
BY ADAM WILLIAM JOHN WORSFOLD**

and

**In the matter of AN APPEAL AGAINST THE DECISION OF
MR MARK BRYANT DATED 25 NOVEMBER 2014**

DECISION ON COSTS

1. On 25 October 2011, Mr Adam Worsfold applied for rectification of the register so as to record himself as the proprietor of trade mark number 1332605 ONIX which stands in the name of Shenzhen Shanling Digital Technology Dev Co (“Shanling”), a company based in China.
2. The application for rectification was heard by the Hearing Officer for the Registrar, Mr Bryant, on 5 November 2014. Mr Bryant produced his written decision on 25 November 2014. He decided that the application for rectification should succeed.
3. Shanling lodged a notice of appeal to the Appointed Person on Form TM55 on 15 December 2014 and the appeal was set down to be heard by me on 29 May 2015.
4. The solicitors acting for Mr Worsfold wrote to the Treasury Solicitor before the papers were sent to me, making a number of points:
 - a. The appeal appeared in essence to seek a rehearing, not a review, of the Hearing Officer's decision and/or did not challenge the essence of the Hearing Officer's reasons and so should be struck out;

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- b. Shanling apparently wished to rely upon fresh evidence; and
 - c. If the appeal was to proceed, Mr Worsfold asked for security for his costs, such security having been ordered in relation to the hearing below.
5. Shanling was not professionally represented for the appeal. As I explained in my Interim Decision dated 14 May 2015, that led to a good deal of correspondence, as Mr Worsfold's solicitors questioned who was representing it, there having been some confusion on the point, especially as to the status of a Mr O'Brien who appeared to have conduct of the appeal, at least at the outset. Mr Worsfold's solicitors repeatedly queried Mr O'Brien's status as the representative of Shanling. In light of that concern, Mr Worsfold's solicitors took care to copy their e-mails to Mr Pan, an employee of Shanling who represented the company at the hearing before Mr Bryant, and all further e-mails have been copied to him as well as to Mr O'Brien. More recently, emails have also been sent to me and to Mr Worsfold's solicitors by Mr Pan.
 6. Shanling's TM55 was accompanied by some documents which appeared to indicate an intention to rely upon fresh evidence at the appeal. Shanling did not, however, comply with my order to file a witness statement dealing with the application to adduce fresh evidence on the appeal.
 7. On 11 May 2015, Mr Pan wrote to the Treasury Solicitor on behalf of Shanling seeking an adjournment of the appeal *inter alia* on the basis that Shanling might need to appoint a representative who would need time for preparation.
 8. On 14 May 2015 I issued an Interim Decision, ordering Shanling to provide security for the costs of the appeal, subject to providing me with its reasoned objections to providing such security, or with evidence explaining any difficulties it may have in providing such security. I also refused Shanling's application for an adjournment.
 9. On 26 May 2015 Shanling informed me by an email from Mr Pan (confirmed by an email from Mr O'Brien) that rather than provide such security it would withdraw the appeal.
 10. Mr Worsfold therefore seeks his costs of the appeal. His solicitors have provided me with a schedule of the costs which he has incurred, and asked for an order that Shanling pay his costs of the appeal. Shanling responded to the application for costs essentially by complaining about the unfairness of the situation and objecting to the respondent's costs as exorbitant in amount.
 11. It seems to me that it is plainly right that Shanling should pay Mr Worsfold an appropriate sum as a contribution to the costs of the appeal which it has now abandoned. Although I was provided with a schedule of the costs incurred on behalf of Mr Worsfold to date, no application was made for his costs to be awarded off the scale, nor were any reasons put forward for me to make any such award. I would say, in any event, that in my view Shanling's conduct of the appeal until withdrawal was certainly less than ideal, but was not so unreasonable as would have justified an award of costs off the scale.

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12. There was a great deal of email correspondence about the appeal, about Mr Worsfold's concerns as to Shanling's representation and as to delay, as well as an application by letter/email seeking an order that the appeal be struck out as wholly unmeritorious and the application for security for costs. This led to greater costs being incurred by Mr Worsfold at a preliminary stage of the appeal than is generally the case. It seems to me that Shanling should make a contribution based upon the scale of costs towards Mr Worsfold's solicitor's consideration of the Grounds of Appeal, towards considering the documents relating to the anticipated application to adduce fresh evidence on the appeal, and towards the preparation of submissions me as to the various interim applications which I have described above. I will therefore Order Shanling to pay the sum of £850 to Mr Worsfold as a contribution towards his costs of the appeal. That sum is to be paid by 5 PM on 30 June 2015.
13. The Hearing Officer had ordered to Shanling to pay Mr Worsfold the sum of £3361.80 in respect of the costs below. I am aware that Mr Worsfold's solicitors are holding £2500 as security for costs in their client account, pursuant to an order made in the proceedings before the UKIPO. In the light of the withdrawal of the appeal, Mr Worsfold's solicitors are released from the undertakings into which they entered and the whole of the sum of £2500 may now be applied towards the costs order made below. Shanling must now also pay the balance of such costs to Mr Worsfold, in the sum of £861.80. This too shall be paid by 5 PM on 30 June 2015.
14. The total sum which Shanling must pay by 5 PM on 30 June 2015 is therefore £1711.80.

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Amanda Michaels
The Appointed Person
15 June 2015