

**O-312-16**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. 3093815  
BY THOMAS TUCKER LTD**

**TO REGISTER:**



**AS A TRADE MARK IN CLASSES 29 & 30**

**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER NO. 404401 BY ETI GIDA SANAYI VE TICARET ANONIM SIRKETI**

**SUPPLEMENTARY DECISION ON COSTS**

## **BACKGROUND & SUBMISSIONS**

1. On 25 May 2016, I issued an interim decision in these proceedings (BL O-264-16). Having concluded that the opposition succeeded in full, I noted the following comment which appeared in the applicant's submissions:

"44. [The applicant] would like to address the Tribunal on the question of costs before any award is made, as it has material it will wish to raise at the time."

2. In the interim decision, I stated:

"43. A period of 14 days from the date of this decision is allowed for the applicant to provide submissions to the Tribunal along with any material upon which it wishes to rely. These should be copied to the opponent, who upon receipt of same is allowed a further period of 14 days in which to comment. I will then consider the parties' submissions and issue a supplementary decision in which I will confirm the substantive decision and deal with the issue of costs."

3. On 7 June 2016, the applicant filed its submissions on costs, copied to the opponent; on 10 June 2016, the opponent responded.

### **The applicant's submissions and documentation**

4. The applicant states:

"2. The efforts made by the applicant to resolve this matter in "without prejudice save as to costs" correspondence [is attached].

3. The opponent made no efforts to facilitate any informal settlement or negotiation and reduce the expenditure by both parties. On this basis, as a result of their conduct, the costs awarded to the opponent should be limited to the lower end of the scale."

5. Attached as WS4 to the applicant's submissions is the following correspondence (all of which is marked without prejudice save as to costs):

**22 April 2015** – a letter from the opponent's professional representatives Ancient Hume ("AH") to the applicant's Managing Director, Mr David Gregg, in which AH draws Mr Gregg's attention to its earlier trade mark registration and its trading activities. The letter indicates that AH have been instructed to oppose the application and the applicant is given the opportunity to withdraw the application. The letter included the following:

"...If the application is not withdrawn and it is necessary for formal opposition to be lodged our client will seek an award of costs against you."

**23 February 2016** – a letter from the applicant’s professional representatives Kuits solicitors (“KS”) to AH (following the filing of the applicant’s evidence in the proceedings). The letter points to what the applicant considers to be its goodwill in the mark the subject of the application from a date prior to the opponent’s trade mark, adding, inter alia, that: “the pre-existing goodwill and reputation in the Krax mark has established a separate and identifiable brand resulting in no instances of confusion between the two marks.” The letter goes on to state:

“Given that our client has incurred significant costs in presenting its case to you and will aggressively defend the application if you continue to proceed with the opposition; for the reasons already set out we believe the opposition will fail. In an effort to come to an amicable resolution before additional costs are going to be incurred by both parties our client proposes the attached undertakings. Please engage properly on the suggestions within the next 14 days.”

In exchange for the opposition being withdrawn and both parties bearing their own costs, the applicant undertook (i) not to vary its trade mark from the form shown in the application, (ii) not to extend the classes beyond those in the application and (iii) limit use of the Krax trade mark to the UK. Point 4 of the undertaking reads:

“In the event that [the applicant] seeks to vary points 1-3 of this agreement it will notify [the opponent] of the relevant change in advance of that change taking place.”

**14 March 2016** – a letter from Mr Hume of AH to Ms Nadim of KS, in which Mr Hume begins by noting the filing of the opponent’s written submissions in the proceedings. Mr Hume states:

“When we spoke on 9 March 2016 I said I would ask whether the opponent wished to make a settlement proposal. I have sought instructions from my instructing attorneys in Turkey and I will let you know if I am instructed to make a proposal for consideration by your client.”

Following a chasing letter sent by KS to AH on 22 April 2016, in an e-mail also dated 22 April 2016 from Mr Hume to Ms Nadim, Mr Hume stated:

“I made it clear in our discussion on 9 March 2016 that our client was not interested in discussing the proposals set out in your letter of 23 February 2016. Our client does not have a proposal to make to your client.”

### **The opponent’s submissions**

6. In its submissions, AH states that “the opponent asks for costs in accordance with the published scale.” It points to (i) the materials filed “prematurely” by the applicant with its counterstatement which it indicates had to be reported to the opponent’s attorneys and which it states increased the opponent’s costs and (ii) the applicant’s erroneous request

for proof of use which it states required a submission from the opponent to have withdrawn. In relation to the discussions between the parties, AH states:

“3. The opponent allowed the applicant an opportunity to withdraw the application but made it clear that if it was not withdrawn it would oppose and seek an award of costs...The proposal in KS’s letter of 23 February 2016 was quiet clearly not acceptable as it required the opposition to be withdrawn in return for wholly unsatisfactory undertakings on the part of the applicant. None of the undertakings...addressed the opponent’s concerns but in any event the undertaking at 4 [show above] allowed the applicant to change its position unilaterally subject only to notifying the opponent of the change in advance of it taking place. The proposed undertakings were, quite obviously, worthless.”

## **DECISION**

7. The Tribunal’s approach to costs is outlined in a number of Tribunal Practice Notices (“TPN”), most notably TPN 4 of 2007. That TPN indicates that the tribunal has a wide discretion when it comes to the issue of costs, including, inter alia, making awards above or below the published scale where the circumstances warrant it. In these proceedings, the applicant asks for costs to be awarded to the opponent from the “lower end of the scale” because, in its view, the opponent made no effort to facilitate settlement or negotiations, whereas the opponent asks for costs “in accordance with the published scale”, but bearing in mind the applicant filed documentation prematurely and, in its counterstatement, erroneously asked the opponent to provide evidence of its use of its earlier trade mark.

8. Dealing with the opponent’s submissions first, it is correct to say that the applicant filed documentation with its counterstatement and that in its counterstatement it asked the opponent to provide evidence of its use. In relation to the former, I accept that it was necessary for AH to report the content of this documentation to the opponent’s attorneys in Turkey at that time. While the evidence that was eventually filed by the applicant at the correct stage in the proceedings differed from that filed with the counterstatement (it included five new exhibits and a number of exhibits had pages added), I don’t think it is likely to have increased the opponent’s costs to any significant extent beyond the costs that had already been incurred when the content of the documentation originally filed with the counterstatement was first reported. I do not, therefore, intend to make any adjustment to the costs I would otherwise have awarded to the opponent in respect of the early filing of documentation by the applicant.

9. As to the applicant’s erroneous request for the opponent to provide proof of use, I note that this error was compounded by the tribunal when, in its letter of 28 September 2015, it noted the request and directed the opponent to provide such evidence. In its letter of 29 September 2015, AH queried the point and in an official letter dated 7 October 2015, the position was corrected. While I accept that it was necessary for the opponent to clarify the position and agree that this is likely to have increased its costs, as the clarification sought only occupied three paragraphs of its letter of 29 September, I

think any additional costs incurred in respect of this issue are likely to have been minimal and, as a consequence, once again, I do not intend to make any adjustment to the costs I would otherwise have awarded to the opponent in respect of the applicant's erroneous request for evidence of proof of use.

10. I now turn to consider the applicant's submissions. On the basis of the documentation provided by the applicant, I can see nothing to support the submission that the opponent "made no efforts to facilitate any informal settlement or negotiation". Rather, the documentation provided by KS, shows that following KS's letter to AH of 23 February 2016, on 9 March 2016, Mr Hume spoke to Ms Nadim. In his letter of 14 March 2016 to Ms Nadim, Mr Hume indicated that he would enquire whether the opponent "wished to make a settlement proposal". Further, in an e-mail dated 22 April 2016, Mr Hume made it clear to Ms Nadim that the opponent had no proposal to make to the applicant and he reminded her that in the discussions which took place between them on 9 March 2016, he had made it clear that the opponent was "not interested in discussing the proposals" outlined in the undertakings provided by KS with its letter of 23 February 2016 (presumably for the same reason mentioned in the opponent's submissions i.e. that it considered the undertakings were "worthless"). On the basis of the documentation provided, the applicant's criticisms of the opponent's conduct are, in my view, unjustified and I do not intend to make any adjustment to the costs I would otherwise have awarded to the opponent in this respect.

11. As I mentioned above, awards of costs are governed by TPN 4 of 2007. Using that TPN as a guide, but bearing the above conclusions in mind and reminding myself that the applicant's evidence consisted of three witness statements (one of which was accompanied by twenty two exhibits) but making no award to the opponent in respect of its evidence which had absolutely no bearing on the outcome of these proceedings, I award costs to the opponent on the following basis:

Preparing a statement and considering the applicant's statement(s):	£300
Considering and commenting upon the applicant's evidence/filing of written submissions:	£700
Official fee:	£100
<b>Total:</b>	<b>£1100</b>

12. I order Thomas Tucker Ltd to pay to ETI Gida Sanayi Ve Ticaret Anonim Sirketi the sum of **£1100**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

13. The period for appeal against the substantive decision runs concurrently with the appeal period for this supplementary decision on costs.

**Dated this 29<sup>th</sup> day of June 2016**

**C J BOWEN  
For the Registrar**