

O-339-19

**SUPPLEMENTARY DECISION
ON COSTS**

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK REGISTRATION NO. 3190706
IN THE NAME OF SHADAB DIN
IN RESPECT OF THE TRADE MARK:**

NOVALIN

AND

**AN APPLICATION FOR A DECLARATION OF INVALIDITY THERETO
UNDER NO 501858 BY SOPHARMA AD**

Background

1. In an interim decision dated 29 March 2019 (BL-O-167-19), I rejected the application for cancellation. In relation to costs, I stated:

“82. Following a request from the applicant, the tribunal, in an official letter dated 14 May 2018, indicated in relation to costs:

“...the parties will be given opportunity to file submissions following the substantive decision.”

83. In view of the above, **the parties are allowed 14 days from the date of this interim decision** to provide any comments they may have on the matter of costs. Insofar as Mrs Din is concerned, that should include reviewing the costs proforma sent by her to the tribunal on 13 November 2018. At the conclusion of that period, I will review any submissions the parties may make and issue a supplementary decision, in which I will deal with costs and set the period for appeal.”

In an official letter dated 29 March 2019, the parties were allowed until 12 April 2019 to file their written submissions.

2. In a letter dated 3 April 2019 (received by the tribunal on 9 April 2019), the applicant provided its submissions on costs. This consisted of a covering letter and a witness statement (the latter accompanied by three exhibits) from the same Rumiana Peycheva mentioned in my interim decision.

3. In an email dated 12 April 2019, Mrs Din provided an amended costs proforma and a document headed “Detailed Invoice for award of cost”. The detailed invoice amounts to £12,708.40 with the costs proforma indicating that the following time was spent on the activities mentioned:

- | | |
|--|-----------|
| (i) Reviewing the application and filing a defence: | 12 hours; |
| (ii) Reviewing the applicant's evidence and preparation of her own evidence: | 16 hours; |
| (iii) Preparation for and attendance at the hearing (including travel time): | 30 hours; |
| (iv) Other expenses: | 34 hours. |

4. In the invoice, the amounts incurred in relation to the above are said to be as follows: (i) £650, (ii) £2,200, (iii) £1,600 (iv) £8,100 and (v) travel costs - £158.40. Insofar as item (iv) is concerned, this is split as follows:

“Seeking professional advice at various stages of the case” – 6 hours @£250 per hour;

“Travel time to and from the hearing for 2 persons” – 16 hours @£150 per hour;

“Deliberation, discussions and writing of numerous communications via email to other party” – 28 hours @£150 per hour.

5. I note that no corroborative evidence is provided in support of the £250 per hour in relation to professional advice received by Mrs Din, nor has any indication been provided as to how the £150 per hour in respect of either Mrs Din's own activities or those who attended the hearing on her behalf have been arrived at. In addition, even if she is successful in her request for costs, when it emerged that the applicant was not attending the hearing, the tribunal contacted Mrs Din and explained that the hearing could be conducted by telephone rather in person (let alone in person in Newport); Mrs Din was assured she would not be disadvantaged in any way by adopting such an approach. Despite that clear indication, as it was Mrs Din's choice to have her husband and Mr Tahir represent her in person in Newport at the hearing,

any amounts claimed by her in relation to travel time and travel related costs are dismissed at the outset.

6. Due to, inter alia, “health reasons”, in her email of 12 April 2019, Mrs Din sought an extension of time to allow her to “...provide a detailed submission supporting [her] costs proforma”. In an official letter dated 16 April 2019 sent to both parties, the tribunal granted Mrs Din’s request, allowing her until 26 April 2019 to provide the submissions to which she referred; no objection to that request was received from the applicant. In an email dated 26 April 2019, Mrs Din provided the additional submissions mentioned. Although those submissions inevitably contained an element of reply to the applicant’s submissions, Mrs Din’s email was, I note, copied to both Ms Psycheva and Ms Gakpetor. A review of the official record prior to the issuing of this supplementary decision, indicates that nothing has been received from the applicant indicating that, for example, it objects to any of Mrs Din’s submissions or wishes to file evidence or submissions in reply to Mrs Din’s submissions.

The applicant’s submissions

7. In her covering letter, Ms Psycheva states:

“...We recognise that any award made cannot be compensatory but as a contribution...”

8. The applicant’s request is, she further states:

“...based on the Tribunal’s own scale of awards figures.”

9. The applicant seeks an award of £2650. However, and notwithstanding the above, the applicant further states:

“Whilst the above costs consideration is made on the basis of the Tribunal's scale of awards figures, we request that the Tribunal uses its discretion to consider awarding costs off the scale to award compensatory costs far above

the figures stated in the table above in order to bring the Applicant close to compensation for the following reasons:

1. The trade marks in question are clearly or at least admitted to be highly similar. The goods as originally filed under the conflicting trade mark was extremely broad and similar. Therefore, a prima facie likelihood of confusion exists. Had due cause been taken by the Proprietor, they would have been advised to either limit the specification of goods to lower any existing risk or even change the mark totally. Clearly this did not happen. The resulting action taken by the Applicant is therefore not an unreasonable step.

2. The Applicant reached out to the Proprietor to try and settle matters amicably. Yet, delay tactics have been used to drag the matter to a decision which is not a win win for any party but resulting in one party suffering an adverse decision. Had there been co-operation on the part of the Proprietor there would not have been a need for the whole process of the formal proceedings up to a decision.

3. The Hearing Officer acknowledges that the Proprietor has consistently referred to its preparations under the NOVALIN trade mark to be a thickener for food and drink. All that the Applicant requested was for the Proprietor to amend its listing of goods to include this limitation. The Proprietor did the opposite. Whilst steps were taken to amend the listing of goods, the Proprietor deliberately refused to include the disclaimer, "a thickener for food and drink" but rather chose to hold the Applicant to ransom that unless the Proprietor is granted a worldwide consent to use and register its NOVALIN alongside the highly similar NIVALIN mark, it would not sign the Co-existence Agreement the Applicant offered, albeit that the ultimate decision in the cancellation action would only have a UK effect.

4. The whole action was just dragged into a hearing stage and a substantive decision exhausting everyone. Negotiations were aborted by the Proprietor resulting in the extra expenditure, time resource as the Proprietor was

duplicating communications writing different letters directly to us; and to our trade mark attorney. Just messy.”

Despite its request for costs on a compensatory basis, the applicant has not provided, for example, a breakdown of the costs it has incurred and the various actions to which they might relate.

10. Attached to Ms Peycheva’s statement are the following exhibits:

Exhibit 1 – consists of an email dated 22 October 2017 from shah.tahir@spectralpharma.com to the applicant’s trade mark attorney Ms Gakpetor. The email confirms receipt of a letter dated 10 October (I presume 2017) and an indication that the letter has been forwarded to its trade mark attorney and a response should be forthcoming within 14 days.

11. Exhibit 2 consists of a questionnaire which Ms Peycheva states was:

“3...presented to [the proprietor] back in November 2017 in order to better understand the nature of the NOVALIN product so that [the applicant] will see how this matter could be resolved amicably without recourse to a full cancellation action...”

12. Ms Peycheva notes that in response to point 1 of the questionnaire, Mrs Din explains that:

“[she] is a founder and also a director of Spectral Pharmaceuticals and as such, the legal rights to use the trade mark Novalin has been given to Spectral Pharmaceuticals.”

13. In relation to point 13 of the questionnaire, Ms Peycheva notes that Mrs Din offers to delete three terms all of which begin “pharmaceutical preparations for the...”. However, she states that no steps were taken by Mrs Din in this regard:

“4...until almost close to the hearing stage...” and “even then it was not fully, as requested by [the applicant], to settle the matter amicably.”

14. Exhibit 3 consists of an email dated 27 December 2017 sent by Ms Gakpetor to Mr Tahir marked “Without Prejudice Save as to Costs”. The email reads as follows:

“I have instructions from my client who would be willing to settle this matter amicably around **"Dietary food and drinks supplement; namely, a thickener for food and drinks to help patients swallow better and safely"**, which you have indicated to be what the NOVALIN trade mark is used in respect of.

My client has therefore asked that if you are minded to resolve this matter swiftly, you sign the attached undertaking which is to be re-produced onto your headed notepaper.

Additionally, my client has asked that you request a voluntary restriction before the IPO, of the goods under your registration by deleting the current goods and to amend the goods to read as shown in the yellow highlight above. If in doubt, following the voluntary amendment, your class 5 specification of goods under your registration should read as follows only:

"Dietary food and drinks supplement; namely, a thickener for food and drinks to help patients swallow better and safely."

We note your defence to my client's cancellation action filed before the IPO is due on 8th January 2018. If my client is to consider withdrawing its cancellation action filed, they have asked that they receive your signed Undertaking by 2nd January 2018 together with a copy of your letter sent to the IPO requesting the voluntary restriction to the specification of goods.

Receipt of the requested documentation by the 2nd January 2018 is to allow for proper consultation within my client's company and for them to be able to provide me with the instructions on time to withdraw the cancellation

action. Please note this would be in your own interest as failure to file your defence by the IPO's deadline could have the consequences of your registration being cancelled. Therefore if you are minded to settle this matter swiftly and amicably, then we would like to receive the Undertaking and your request letter to the IPO by 2nd January 2018, as requested.”

15. The exhibit also contains: (i) an email dated 2 January 2018 to Ms Gakpetor from Mr Tahir, in which he indicates that he is no longer a director of Spectral Pharma, and advises that any further communication should be sent to Mrs Din, and (ii) a copy of an undertaking dated September 2018. I shall return to this exhibit below.

16. Ms Peycheva states:

“6. The Agreement which was presented to Shadab Din is attached to show there is nothing untoward in the terms which was unreasonable. Yet, Shadab Din would not sign because the Agreement covered the country of dispute only, the UK. They wanted a worldwide agreement which the Tribunal would agree was rather unreasonable. At least begin with good relations in the UK and later seek to expand once a good co-existence business relation has been established and proved.”

Mrs Din's submissions

17. In her email dated 26 April 2019, Mrs Din stated:

“I hope that my submission will make it evident how this case could have been resolved at a very early stage. However, in spite of the cancellation applicant accepting that there is no similarity between the nature of the two products, it was unnecessarily dragged on by the cancellation applicant and their trademark attorney by asking for an inclusion of unreasonable and unfair clauses in the agreement/undertaking. As a result, I was unable to launch the food thickener and have significantly lost out on an opportunity which I may not recuperate as the delay has resulted in competitors launching, gaining and consolidating market share. Avoiding this loss of business to

competitors was an imperative that drove my desire to resolve this matter quickly.

This has been an extremely unnecessary, stressful and prolonged experience. The costs submitted are very conservative as they do NOT take into account factors such as the delay of the launch of Novalin Clear & Thick into the market and consequent loss of revenue and consolidation of rival brands that further limits market share once launched. This delay is also because a portion of the capital set aside for production and launch was spent on this case.”

Attached to Mrs Din’s email are five “exhibits”. These are as follows:

18. Exhibit 1 – consists of an email dated 1 November 2017 from Mr Tahir to Ms Gakpetor, in which, inter alia, he explains that the NOVALIN product is “a thickener for food and liquids, not a pharmaceutical preparation”.

19. Exhibit 2 – consists of an email dated 4 December 2017 from Mr Tahir to Ms Gakpetor which consists of a response to the questionnaire mentioned above. In relation to his email of 1 November 2017, Mr Tahir states:

“We had hoped that this comprehensive email would have been taken by your client as an invitation to start a discussion, However, unfortunately they have instead decided to commence proceedings for a declaration of invalidity against the NOVALIN trade mark.”

20. In relation to Mrs Din’s proposal to remove phrases beginning “Pharmaceutical preparations for the...”, Mr Tahir states:

“We trust that the above proposal and explanation along with the answers to your questions in the questionnaire will give the confidence to your clients to withdraw the application for cancellation filed.”

21. Exhibit 3 consists of an email dated 24 January 2018 from Mrs Din to Ms Gakpetor marked “Without prejudice save as to costs.” It appears to have contained an undertaking (not provided) said to be:

“better aligned to the concessions we made. I am also confident that the attached Undertaking Agreement provides for reasonable growth opportunities in European and global markets to both parties and without, importantly, impinging on each other’s vertical markets...”

22. Exhibit 4 consist of an email dated 21 March 2018 sent by Mrs Din to Ms Gakpetor which I note contains the following:

“In the spirit of resolving this matter amicably and speedily without need of formal adjudication by the IPO, I have accepted the two undertakings notated ‘1’ and ‘2’ in your emailed proposal of 24 Feb 2018 and attached the amended undertaking document. Please indicate your agreement to the undertaking document and return a signed copy of said undertaking for the amicable and speedy resolution of this matter without need to progress to the aforementioned formal IPO adjudication.”

No copy of the “emailed proposal of 24 Feb 2018” has been provided.

23. Exhibit 5 consists of an email dated 16 April 2018 from Mrs Din to Ms Gakpetor. In that email, Mrs Din states:

“I am baffled and surprised, in spite of being fully aware that Novalin is in no way a competitor to Sopharma or Nivalin, that you are complicating and prevaricating the matter by not agreeing to my very reasonable proposal. I have repeatedly committed to giving you a legally binding undertaking that Novalin will not be used for any pharmaceutical preparation and removing all such parameters from the class. You requested my proposed undertaking in Word format in-order to make amendments...You then emailed a response...to which you added clauses into the undertaking that were

unnecessary and unreasonable. You gave me 7 days from the 24th to return the signed undertaking but proceeded to unilaterally escalate the situation with correspondence to the IPO in an unexpected manner on Sunday 25th March.

I therefore believe that in sending a proposed undertaking with such unreasonable conditions, you had no intention of us amicably reaching a mutually acceptable settlement. It is clear to me now that you want me to accept unreasonably restrictive conditions, such as the one below, to avoid the threat of you taking this matter to adjudication by the IPO;

7- "Not to object to the use and registration of NIVALIN – based trade marks that would be filed by Sopharma for goods in classes 5 or in related goods/services such as dietary preparations and supplements; vitamin waters; boosting energy drinks and snack bars, but not restricted to the list contained herein this Agreement";

There is no justification for this clause. Sopharma have never been in the business of manufacturing, marketing or selling food items, and therefore have no association with the food, beverage or dietary industry. I can think of no other reason for the inclusion of this clause but to have the option of coattailing off the reputation and goodwill of Novalin in the future.

Although I cannot accept these unreasonably restrictive conditions, I again take this opportunity to offer an amicable settlement based on my fair and reasonable proposed undertaking dated 21st March 2018."

24. Exhibit 6 consists of an email exchange between Mrs Din and Ms Psycheva. The first email provided, dated 23 April 2018, is from Mrs Din to Ms Psycheva. In her reply dated 14 May 2018, Ms Psycheva states:

"Regarding your proposal, namely because your product bearing trademark NOVALIN is not a pharmaceutical, we proposed you through our lawyer to

delete all goods in class 05 from the category “pharmaceuticals” (intended for medical use). And that's why we also do not understand why you did not accept our proposal.

To make sure we are talking about the same thing, the list of Novalin that we can accept is: “dietary food supplements; dietary supplemental drinks.”

25. In an email dated 14 May 2018, Mrs Din responded to the above stating:

“Please note that I wholeheartedly accept the proposal below, it is reasonable and is in essence what I suggested right from the start and in every communication. The problem arose because some clauses were added by your trademark attorney, Gifty Gakpetor, which are unreasonable, unnecessary and therefore I couldn't accept that proposal in the form presented to me by your lawyer. I cannot understand why she has added those clauses and why she is not accepting our proposal which is in accordance with what you have outlined below (see attached proposal document) thus delaying and prolonging the matter. This is the reason that I wanted to get in touch with you directly to clarify and resolve this misunderstanding, to bring this matter to an amicable and friendly resolution.

To demonstrate good faith and in the spirit of compromise, I have made further amendments to my attached proposal. As you can see I have clearly stated that Novalin will not be used as a pharmaceutical preparation, and also listed what it can be used for. The list comprises of only food or nutritional foods/drinks, not medicinal or pharmaceutical ingredients. I hope you can see that there is absolutely no competition with Nivalin and our customers do not clash in any way...”

26. Finally, exhibit 7 consists of a proposed undertaking dated 25 August 2018, sent by Mrs Din to the applicant. I shall return to this exhibit below.

Apparent chronology

27. The trade mark the subject of these proceedings was filed on 12 October 2016 and was advertised for opposition purposes on 28 October 2016. A review of official records shows that on 26 January 2017, Mrs Din filed a Form TM21B to amend her specification and that on 10 February 2017, the NOVALIN trade mark was entered in the register (the specification shown in the Annex to my interim decision refers).

28. The first contact between the parties appears to be the email sent on 10 October 2017 by Ms Gakpetor to the proprietor (exhibit 1 to Ms Peycheva's statement refers). On 22 October 2017, Mr Tahir (who indicates he is "from Spectral Pharmaceuticals") acknowledged that email and on 1 November 2017 he responded substantively (exhibit 1 to Mrs Din's statement refers). In that response he explained the nature of the product of interest to Mrs Din i.e. "a thickener for food and liquids" and he sought to allay the applicant's concerns regarding the "possibility of confusion."

29. On 2 November 2017, the application for cancellation was filed. The application was served upon Mrs Din on 8 November 2017, with a period expiring on 8 January 2018 allowed for the filing of a defence.

30. Ms Peycheva states that in November 2017, a questionnaire was sent to Mrs Din (a copy of which is provided as exhibit 2 to both parties' statements). In his response to that questionnaire dated 4 December 2017, Mr Tahir stated that the "legal rights to use the trade mark Novalin has been given to Spectral Pharmaceuticals" (question 1), that only one product will be sold under the NOVALIN trade mark "which will be a thickener for drinks" (question 3) and that products sold under the NOVALIN trade mark will be available "only in the UK" (question 9).

31. On 27 December 2017, Ms Gakpetor wrote to Mr Tahir enclosing an undertaking. Although a copy of that email, Mr Tahir's response (dated 2 January 2018) and an undertaking are provided as exhibit 3 to Ms Peycheva's statement, as the copy of the undertaking provided is dated September 2018, it seems unlikely that is the version to which Ms Gakpetor refers in her email of December 2017.

32. On 30 December 2017, Mrs Din filed a Form TM8 to defend the application.

33. On 2 January 2018, Ms Gakpetor wrote to Mrs Din (email not provided) and on 24 January 2018 Mrs Din responded (exhibit 3 to her statement refers). Her response thanks Ms Gakpetor for “proposing an initial draft for a formal undertaking between our two parties” (presumably sent under cover of Ms Gakpetor’s email of 27 December 2017) and that having taken legal advice, Mrs Din suggests an amended undertaking (not provided) which was felt to be “better aligned to the concessions we made.” In that email, Mrs Din stated:

“I am also confident that the attached Undertaking Agreement provides for reasonable growth opportunities in European and global markets to both parties and without, importantly, impinging on each other’s vertical markets...”.

34. On 24 February 2018, Ms Gakpetor wrote to Mrs Din with an amended proposal (not provided) and on 21 March 2018 Mrs Din responded by email in which she states she has “accepted the two undertakings notated “1” and “2”...and attached the amended undertaking document” and she asks Ms Gakpetor to indicate her agreement by returning “a signed copy of the said undertaking” (exhibit 4 to Mrs Din’s statement refers). It appears that Ms Gakpetor replied on 24 March 2018 (exhibit 5 to Mrs Din’s statement refers).

35. On 16 April 2018, Mrs Din wrote again to Ms Gakpetor (also exhibit 5 to her statement). In that email she expresses surprise that the applicant had added what she regarded as unnecessary and unreasonable clauses, one of which apparently read:

“7- Not to object to the use and registration of NIVALIN – based trade marks that would be filed by Sopharma for goods in classes 5 or in related goods/services such as dietary preparations and supplements; vitamin waters; boosting energy drinks and snack bars, but not restricted to the list contained herein this Agreement.”

36. On 23 April 2018, Mrs Din wrote directly to Ms Peycheva and on 14 May 2018 Ms Peycheva responded indicating that the applicant was prepared to accept a specification reading: “dietary food supplements; dietary supplemental drinks”. Also on 14 May 2018, Mrs Din responded indicating that she “wholeheartedly accepts the proposal [mentioned above]”, stating that it “is reasonable and in essence what I suggested right from the start and in every communication” and Mrs Din provides an amended “proposal document” which is not provided (exhibit 6 to Mrs Din’s statement refers).

37. On 31 May 2018 the applicant’s evidence was completed and on 25 July 2018, Mrs Din filed a Form TM23 to partially surrender the registration, amending her specification to that shown in paragraph 1 of my interim decision. Exhibit 7 to Mrs Din’s statement consists of a proposed undertaking dated 25 August 2018 sent by her to the applicant and Ms Gakpetor. On 30 August 2018, Mrs Din’s evidence was complete and in September 2018, the applicant sent an amended proposal to Mrs Din (exhibit 3 to the statement of Ms Peycheva refers). On 19 October 2018, the applicant filed its evidence-in-reply (signalling the conclusion of the evidence rounds) and on 13 November 2018, Mrs Din asked to be heard. The details of the hearing are outlined in paragraph 9 of my interim decision.

DECISION

The legislative provisions

38. Section 68 of the Act and rule 67 of The Trade Marks Rules 2008 read as follows:

“68. - (1) Provision may be made by rules empowering the registrar, in any proceedings before him under this Act -

(a) to award any party such costs as he may consider reasonable,
and

(b) to direct how and by what parties they are to be paid.

(2)...

(3)..."

And:

“67. The registrar may, in any proceedings under the Act or these Rules, by order award to any party such costs as the registrar may consider reasonable, and direct how and by what parties they are to be paid.”

39. As various Tribunal Practice Notices (“TPN”) issued over the years have made clear, the tribunal normally awards costs by reference to a published scale as a contribution towards any costs incurred; the most recent TPN in this regard is no. 2 of 2016. Such awards are normally, but not exclusively, made to the successful or most successful party. However, as the various TPNs make clear, the tribunal may, if it considers it appropriate, make an award amounting to full compensation.

40. In its submissions, the applicant begins by noting that “any award made cannot be compensatory but as a contribution”, but then goes on to ask the tribunal to use “its discretion to consider awarding costs off the scale to award compensatory costs...”. Despite being professionally represented throughout the proceedings and specifically asking for a determination on costs to be made following a decision on the merits, the applicant has not, crucially, provided a bill itemising the actual costs incurred. In such circumstances, I am simply not in a position to consider the applicant’s request to consider costs on the compensatory basis to which it refers.

41. Unlike an opposition, a cancellation action can, of course, be filed at any time. Having written to Mrs Din on 10 October 2017 and having received an interim reply on 22 October 2017 and a substantive response from Mr Tahir on 1 November 2017, it is surprising that, rather than negotiating with the proprietor to establish if a satisfactory outcome could be achieved, the applicant filed the application for cancellation the following day i.e. on 2 November 2017. Although as my summary shows the evidential picture is incomplete and often difficult to discern, on the basis of the evidence that has been provided, there is no doubt that both parties made considerable efforts to resolve this dispute amicably.

42. I note the original specification applied for and, following the first specification amendment on 26 January 2017, the specification for which the trade mark was subsequently registered. Given various terms in the specification for which the trade mark was registered, the high degree of similarity in the competing trade marks and the indication that the NOVALIN trade mark was to be used by Spectral Pharmaceuticals (i.e. a pharmaceutical company), the applicant's initial concerns regarding a likelihood of confusion were, in my view, understandable.

43. In her various communications with the applicant Mrs Din, or those speaking on her behalf, made it clear from the outset that the trade mark NOVALIN was to be applied to a single product i.e. a thickener for food and liquids which was only to be used in the UK. Despite a number of draft agreements being exchanged between the parties commencing, it appears, as early as 27 December 2017 and despite what appears to be a measure of agreement reached in principle, no concrete action was taken by Mrs Din to amend the specification of her registration until, on 25 July 2018, she filed a Form TM23 to partially surrender her registration resulting in the specification shown in paragraph 1 of my interim decision. On 25 August 2018, Mrs Din sent a proposed undertaking to the applicant (exhibit 7 to her statement) which indicates that the matter could be concluded if, inter alia, the applicant consented to:

“1...[her] use and registration of NOVALIN in respect of “Dietary fibre; dietary supplemental drinks; dietary supplements and dietetic preparations; dietetic foods adapted for invalids; food supplements; mineral nutritional supplements; dietary food and drinking supplement; dietetic foods adapted for medical use; dietetic foods for use in clinical nutrition; namely a thickener for food and Drinks;”.

44. Mrs Din's proposed undertaking also included the following:

“2. Not to object to future trade mark applications filed for NOVALIN for such goods outside the UK;”

45. The proposed undertaking dated September 2018 (exhibit 3 to Ms Peycheva's statement) is, it appears, the applicant's response to Mrs Din's August 2018

proposed undertaking. In that proposed undertaking, the applicant accepts the revised specification at point 1 of Mrs Din's proposal, but adds:

"2. Not to object to future trade mark applications filed for NOVALIN for such goods" [i.e. the words "outside the UK" were removed]

And:

"These undertakings will be valid in the UK only..."

46. Thus by September 2018, the only sticking point between the parties appears to be the applicant's wish to restrict the scope of the agreement to the UK. Although one can understand Mrs Din's desire to "future-proof" the agreement in the hope that the NOVALIN product would prove successful, given the information provided to the applicant during the negotiations, the applicant's wish to, initially at least, restrict the scope of the agreement does not appear to be unreasonable and ought not, it appears, to have fettered Mrs Din's original commercial aspirations i.e. to use the NOVALIN trade mark in the UK.

47. However, neither party's approach to the matter of settlement has, in my view, been beyond criticism. Examples of questions one might reasonably pose include: (i) why was the application for cancellation filed only one day after Mr Tahir had responded to the applicant's initial enquiry rather than allowing time for negotiations to take place (ii) why, if the NOVALIN product was, initially at least, only to be used in the UK on the limited goods mentioned, Mrs Din was not prepared to take concrete steps to amend the specification of her registration in a more realistic manner and accede to the applicant's suggestion that the agreement be limited to the UK and (iii) why the applicant appears to have included in one proposed version of the undertaking a clause relating to its right to use its NIVALIN trade mark in relation to goods which, given the evidence of use it has filed, it seems most unlikely to have had any commercial interest in under that trade mark.

48. However, having reviewed all of the evidence provided, I see nothing particularly unusual in the various exchanges that have taken place that would merit an award to

either party outwith the official scale. Rather, the various exchanges appear to me to represent a fairly typical “toing and froing” of draft undertakings in which both parties have, whilst trying to achieve a fair outcome, unsurprisingly, tried to achieve an outcome most favourable to themselves.

49. Having concluded that there is nothing to suggest an award to either party outwith the scale is appropriate, I remind myself that in my interim decision I concluded that the application failed. As Mrs Din was successful, she is, in principle, entitled to an award of costs in her favour.

50. In paragraphs 3 to 5 above I outlined the basis of Mrs Din’s claim and made various observations in relation to it. I shall bear those conclusions in mind. Insofar as it is relevant, paragraph 5.2 of the Tribunal Section Work Manual reads as follows:

“5.2 Unrepresented parties

When an award is given by the Hearing Officer either with, or after, the issue of the substantive written decision, the unrepresented party will be invited to provide a breakdown of the costs incurred. This itemised account will include the number of hours spent on the proceedings including travel costs.

The Litigants in Person (Costs and Expenses) Act 1975 sets the minimum level of compensation for litigants in person in Court proceedings at £19.00 per hour.”

Costs assessment by category

51. As a litigant in person, I appreciate that it would have taken some time for Mrs Din to familiarise herself with the cancellation process. Given the nature of both the application and her defence, to have spent 4 hours considering the application and 8 hours formulating a response does not appear unreasonable. Accordingly, I award Mrs Din £228 in this respect i.e. 12 x £19. As there is no official fee for filing a defence, the £100 mentioned in her proforma is not relevant.

52. Mrs Din explains that she spent 6 hours reviewing the applicant's evidence, 5 hours preparing her own evidence and 5 hours "seeking professional advice and researching". Whilst I have already commented on the professional advice aspect of her claim above, 11 hours for reviewing and preparing evidence appears reasonable. Notwithstanding my earlier comments regarding the absence of supporting evidence relating to the professional advice sought, I have no reason to doubt such professional advice was sought. Thus the 5 hours Mrs Din spent seeking such advice and researching does not appear unreasonable and I award her £304 in respect of these activities i.e. 16 x £19.

53. Mrs Din claims 30 hours in relation to seeking advice and preparing for and attending a hearing, with those 30 hours including "travelling to the hearing and the hearing itself." I have already commented upon the attendance at the hearing above and make no award in relation to travelling to the hearing in Newport (for two people) which is said to amount to 16 hours or the associated travel costs. The hearing itself lasted 90 minutes. Having not previously attended a hearing before this tribunal, I accept that a not insignificant amount of preparation would have been required. Bearing this in mind, I consider that 14 hours covering both preparation for and attending the hearing to be reasonable and I award Mrs Din £266 in this regard i.e. 14 x £19.

54. The final category is in relation to the 34 hours (including 6 hours seeking professional advice) Mrs Din claims in relation to what she describes as "deliberation, discussion, professional advice and writing of numerous communications via email where IPO was not copied into but was necessary." As it appears to me that the references to deliberations, discussions, advice etc. would have formed part of her claim in relation to the categories of work already mentioned, I make no award in either this regard or in relation to the "writing of numerous communications...", the latter of which clearly lacks specificity.

Overall conclusion on costs

55. In view of the above, I award costs to Mrs Din on the following basis:

Reviewing the application and filing a defence:	£228
Preparing evidence and considering the applicant's evidence:	£304
Preparing for and attending a hearing:	£266
Total:	£798

56. I order Sopharma AD to pay to Shadab Din the sum of **£798**. 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.

Dated this 17th day of June 2019

C J BOWEN

For the Registrar

The Comptroller-General