O/648/21

DECISION ON COSTS

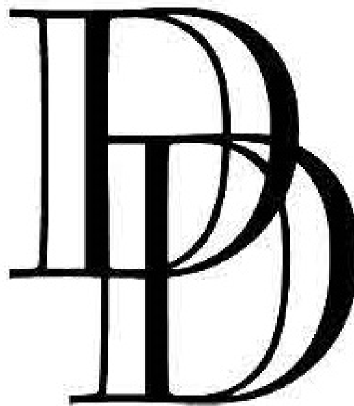
TRADE MARKS ACT 1994

IN THE MATTER OF

TRADE MARK APPLICATON NO. 3489704

BY MARIA KASANDRINOU

TO REGISTER AS A TRADE MARK:



IN CLASS 25

AND

IN THE MATTER OF OPPOSITION THERETO

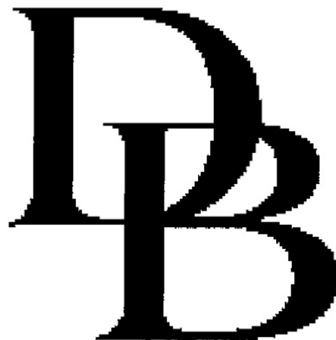
UNDER NO. 421465

BY DOONEY & BOURKE, INC.

BACKGROUND

1. On 14 May 2020, Maria Kasandrinou ("the applicant") applied to register the trade mark shown on the cover page of this decision, in the UK, in respect of a wide range of goods in class 25.

2. On 14 September 2020, Dooney & Bourke, Inc. ("the opponent") filed a notice of opposition. The opposition was brought under sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 ("the Act") and was directed against all the applied-for goods. The opponent relied upon its European Union trade mark registration number 3408556,[1] which consists of the following trade mark:



3. By way of Form TM21B filed on 9 November 2020, the applicant restricted the scope of its specification by removing a number of terms from its list of class 25 goods. On 17 November 2020, the opponent confirmed that the opposition was maintained against all the goods in the applicant's amended specification.

4. On 17 November 2020, the applicant filed a counterstatement denying the grounds of opposition. The applicant also indicated that it would require the opponent to provide proof of use of its earlier mark.

5. On 18 January 2021, the opponent filed Form TM9 to request an extension to the deadline for the filing of its evidence in chief. A case management conference ("CMC")

[1] Although the UK has now left the EU, as these proceedings were commenced before 31 December 2020, the UK's departure from the EU did not impact upon the opponent's ability to rely upon this mark. Tribunal Practice Notice 2/2020 refers.

was held on 23 February 2021 to address the issue, following which the opponent's evidence filed on 22 February 2021 was admitted into the proceedings.

6. On 26 April 2021, the applicant filed its evidence in chief. Thereafter, evidence in reply was filed by the opponent on 28 June 2021.

7. On 14 July 2021, the applicant requested an oral hearing. The hearing was scheduled to take place before me, by video conference, on 1 September 2021. The opponent was due to be represented by Mr Ewen Mitchell of Greenberg Traurig LLP; the applicant was due to be represented by Ms Stephanie Wickenden of Counsel, instructed by Franks & Co (South) Limited.

8. On 27 August 2021, both parties filed skeleton arguments. In its covering email, the opponent withdrew the opposition based upon section 5(3) of the Act. On 31 August 2021, i.e. the day before the hearing, the opponent withdrew the opposition in respect of section 5(2)(b) of the Act. As a result, the hearing was vacated.

9. Subsequent to the withdrawal of the opposition, the applicant made the following request for costs:

> "[…] we believe that before proceedings are closed, the applicant is in the circumstances entitled to an award of costs against the opponent.
>
> While the scheduled Hearing need not take place, we would ask that the Registry take into account that:
>
>> (a) there was significant unnecessary extra work as a result of the opponent's late submission of its evidence in chief and the resulting CMC (as acknowledged at the time by the Hearing Officer);
>>
>> (b) the case under s5(3) was only withdrawn at the same time as the submission of the opponent's skeleton argument, two working days before the Hearing date, and we had already prepared our arguments in respect of this element of the case; and

(c) the remainder of the opposition case was only withdrawn the day before the Hearing.

We therefore request that the applicant be awarded costs at, or in excess of, the top of the standard scale."

10. The opponent provided the following response to the applicant's request for costs:

"[…] the Opponent accepts that it would be usual for the Tribunal to make an award of costs in these circumstances.

However, it disagrees that such costs should be assessed at, or in excess of, the top of the standard scale. No extra work arose out of the Opponent being granted extra time to file evidence, other than the Applicant's representative attending a short telephone hearing that it was not obliged to attend.

The Opponent submits that the lower end of the standard scale is more appropriate, taking account of the fact that no substantive hearing took place."

11. As can be seen from its response, the opponent accepts that an award of costs should be made in favour of the applicant. It now falls to me to determine the costs which should be awarded.

DECISION

12. Section 68 of the Act states as follows:

"(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.

[…]”

13. Rule 67 of the Trade Marks Rules 2008 provides:

> “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 what parties they are to be paid.”

14. The Tribunal usually awards costs by reference to the scale published in Tribunal Practice Notice (“TPN”) 2/2016 as a contribution towards any costs incurred. I note that the applicant has requested “costs at, or <u>in excess of</u>, the top of the standard scale” (my emphasis). I consider this to be an invitation for me to depart from the scale, which I can deal with briefly.

15. TPN 4/2007 indicates that the Tribunal has a wide discretion when it comes to the issue of costs, including making awards above or below the published scale where the circumstances warrant it. The TPN stipulates that costs off the scale are available “to deal proportionately with wider breaches of rules, delaying tactics or other unreasonable behaviour”. The applicant has not explained in such terms why it believes off-scale costs are appropriate. There has been no suggestion that the opponent has breached any rules or utilised delaying tactics in these proceedings. The matter at issue appears to be whether the opponent’s non-compliance with the deadline for the filing of its evidence and its withdrawal of the opposition shortly before the hearing should be considered unreasonable behaviour.

16. Having considered the conduct of proceedings, it is my view that off-scale costs are not appropriate in this instance. The timetable for the filing of evidence is to be adhered to (see TPN 2/2011) and the opponent is open to a degree of criticism for not doing so; I appreciate that the applicant will have incurred additional costs in preparing for and attending a CMC on the point. Further, the opponent is also open to a degree of criticism for withdrawing the opposition so shortly before the hearing was scheduled to take place. Given that the applicant had already engaged Counsel and prepared its skeleton arguments by such time, I have no doubt that it will have incurred costs.

Nevertheless, while I acknowledge the applicant's position, neither the late filing of the opponent's evidence nor the withdrawal of the opposition shortly before the hearing strike me as an abuse of process or otherwise unreasonable behaviour. Although compliance with prescribed deadlines is expected of parties in proceedings before this Tribunal and requests for extensions are only considered in exceptional cases, such requests are not uncommon. Moreover, whilst the timing of the withdrawal of the opposition was far from ideal, there is nothing before me to suggest that there was anything untoward in the opponent's conduct.

17. I will now consider the applicant's claim for costs in accordance with the scale published in TPN 2/2016. Although I do not consider that an award of off-scale costs would be proportionate or justified, the circumstances referred to above will form part of my assessment.

Considering the opponent's statement and preparing a counterstatement

18. I do not consider this, by any means, to have been a case at the highest level of complexity; oppositions on these grounds are very common before this Tribunal. However, neither can it be said to have been at the lowest level of complexity. Neither the opponent's notice of opposition nor the applicant's defence were unusually lengthy: the opponent's Form TM7 was accompanied by a five-page statement of grounds, while the applicant's Form TM8 was filed together with a nine-page counterstatement. The contents of the foregoing were, by and large, relevant to the proceedings. In light of the above, I consider that £250 is a reasonable amount for considering the notice of opposition and preparing a counterstatement.

Preparing evidence and considering the opponent's evidence

19. The opponent's evidence in chief consisted of the witness statement of Mr Peter Beaugard, dated 22 February 2021, together with twelve exhibits. I note that this evidence did not exceed the 300-page limit imposed by the Tribunal and was towards the lower end of this limit in terms of length (totalling less than 100 pages). The opponent's evidence in reply consisted of the second witness statement of Mr Beaugard, dated 26 June 2021, together with five exhibits. This evidence was well

below the 150-page limit imposed by the Tribunal (totalling less than 30 pages). Overall, I cannot envisage that reviewing this rather light evidence would have required a great amount of time or resources. The applicant's evidence comprised the witness statement of Ms Lizana Oberholzer, dated 20 April 2021, the witness statement of Ms Helen Woodhouse, dated 20 April 2021, and the witness statement of Mr Jonathan Banford, dated 23 April 2021, together with ten exhibits. In total, the applicant's evidence, being 35 pages in length, was well below the 300-page limit imposed by the Tribunal. Having reviewed the applicant's evidence, I consider that a large proportion of it would not have been especially influential in my decision on the substantive grounds of the opposition. Moreover, the applicant's documentary evidence consisted of extracts from the Register and prints obtained during internet research. I cannot imagine that the preparation of these documents would have taken a great deal of time. Taking all of the above into account, I consider that £600 is a reasonable amount for the preparation of the applicant's evidence and considering the opponent's evidence.

The CMC

20. On 18 January 2021, the opponent filed Form TM9 to request an extension to the deadline for the filing of its evidence. On 26 January 2021, the Registry issued a preliminary view to refuse the request, as it was considered that the reasons provided were insufficient to justify the exercise of discretion. The opponent requested a hearing to challenge this preliminary view and a CMC was held on 23 February 2021.

21. At the CMC, the Hearing Officer directed that the opponent's evidence was to be admitted into the proceedings. However, as recorded in his post-CMC letter to the parties, the Hearing Officer also directed that:

> "Although the tribunal exercised its discretion in this case in favour of the Opponent (by admitting the filed evidence despite its having missed the original deadline of 18 January 2021), the Opponent is nonetheless open to a degree of criticism […] The Applicant will have incurred costs, at least to the extent of attending the (15 minute) CMC. Therefore, irrespective of which party succeeds in the determination of the substantive claims in these opposition proceedings,

> it is warranted that any costs contribution awarded in the final decision should take account (albeit on a modest scale) of these avoidable costs incurred by the Applicant."

22. As highlighted by the Hearing Officer in the same letter, Mr Beaugard provided further detail about why the extension to the deadline was required in his witness statement. These broadly consisted of system failures and malware attacks that had materially hampered the opponent's ability to adhere to the original deadline. This information could have easily been included in the Form TM9 and, had it been, the CMC would not have been necessary. The applicant will have incurred costs in preparing for and attending the CMC and I concur that these were avoidable. However, I take into account that the CMC was brief. To my mind, the sum of £100 is reasonable as a contribution towards the costs of preparing for and attending the CMC.

Preparing for a hearing

23. It was only very late in the proceedings that the opponent reduced and then withdrew its opposition. Although, as the opponent has pointed out, no substantive hearing took place, it is clear that the applicant will have incurred costs associated with it. For instance, the applicant had already engaged Counsel and Ms Wickenden had already drafted her skeleton arguments before the opposition was withdrawn. I consider this to be unnecessary expenditure of time and resources. It is also relevant that the opponent withdrew the opposition such a short time before the hearing. In my view, the sum of £750 is reasonable as a contribution towards the costs of preparing for the hearing.

CONCLUSION

24. In conclusion, I award costs to the applicant as follows:

Considering the notice of opposition and preparing a counterstatement	£250
Preparing evidence and considering the opponent's evidence	£600
Preparing for and attending CMC	£100
Preparing for main hearing	£750
Total	**£1,700**

25. I therefore order Dooney & Bourke, Inc. to pay Maria Kasandrinou the sum of £1,600. This sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings (subject to any order made by the appellate tribunal).

Dated this 6th day of September 2021

James Hopkins
For the Registrar,
The Comptroller General