

O/928/21

TRADE MARKS ACT 1994

**IN THE MATTER OF THE APPLICATION FOR TRADE MARK NO. 3281086
IN THE NAME OF CLARIDGE CANDLES LIMITED FOR THE TRADE MARK**

CLARIDGE

IN CLASSES 03 AND 04

AND

THE OPPOSITION THERETO UNDER NUMBER 412315

BY

CLARIDGE'S HOTEL LIMITED

Background and pleadings

1. These opposition proceedings have been brought by Claridge's Hotel Limited ("the opponent"). The opponent objects to the trade mark application for CLARIDGE, for goods in classes 3 and 4, applied for on 8 January 2018 ("the relevant date"). The proceedings began in April 2018, but were suspended pending the outcome of claims for infringement and passing off in the Intellectual Property Enterprise Court ("IPEC") brought by the present opponent against the defendants, Claridge Candles Limited (in these proceedings, "the applicant") and the applicant's director, Ms Denise Shepherd. Following the IPEC judgment, *Claridge's Hotel Limited v Claridge Candles Limited and Denise Shepherd* [2019] EWHC 2003 (IPEC), handed down on 29 July 2019, these opposition proceedings resumed.

2. As a result of the IPEC judgment, these opposition proceedings have been amended. The opponent's earlier registration, 2397526 (CLARIDGE'S), relied upon originally for its objections under sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 ("the Act"), was the subject of a counterclaim in IPEC by the defendants, who were successful in obtaining partial revocation of the registration on the grounds of non-use. The upshot of the revocation is that the section 5(2)(b) ground in these proceedings has been struck out, since it was based upon goods which were revoked from a date antecedent to the relevant date in these proceedings. The section 5(3) ground was amended, as was the section 5(4)(a) ground, which are now predicated on the following bases:

- Section 5(3): the relevant public will believe the parties' marks are used by the same undertaking or an economically linked undertaking and that use of the application will erode the distinctiveness of the earlier mark, damage its repute, and give an unfair advantage to the applicant by virtue of the reputation of the earlier mark for *hotel services*;
- 5(4)(a): the opponent claims that its goodwill in its UK hotel business distinguished by CLARIDGE'S since 1856 entitles it to prevent the use of the applicant's mark under the law of passing off. It also claims goodwill in its business of candles (since 2013) and retailing thereof (since 2014),

distinguished by CLARIDGE'S, sufficient to prevent the use of the application for its class 4 goods.

3. Up until the suspension of these proceedings, the applicant was professionally represented, both in the IPEC case and in these proceedings. When the opposition proceedings resumed, the applicant was unrepresented, and that has remained the case. Ms Shepherd, the applicant's sole director, has acted for the applicant in all dealings with this tribunal since the resumption of the opposition proceedings. Urquhart-Dykes & Lord LLP, recently merged with and now called Murgitroyd & Company, has at all times acted for the opponent in these proceedings (and, I believe, in IPEC).

4. On behalf of the applicant, Ms Shepherd filed an amended counterstatement, following the amendment of the grounds of opposition, as set out above. The applicant denies the grounds. In the amended counterstatement, the applicant erroneously states that the opponent has surrendered its earlier mark. I dealt with this mistaken belief in a case management conference held on 1 June 2021, confirming the position in a letter the following day (annexed to this decision).

5. The applicant did not put the opponent to proof that it had made genuine use of its mark in relation to *hotel services* in the five year period prior to the publication of the application, which was the relevant period when these proceedings commenced.¹ Consequently, the opponent is not required to prove that it has made genuine use of its earlier mark and may rely upon the services identified in the statement of use made in the notice of opposition: *hotel services*. The applicant concedes that the opponent has a reputation in *hotel services*, because at paragraph 7 of its counterstatement, the applicant states:

“...it is admitted that CLARIDGE'S HOTEL is renown [sic] for a hotel of design.”

¹ Section 6A of the Act. Ms Shepherd ticked 'no' in answer to the question at box 7 of the defence form (Form TM8) which asked if the applicant required the opponent to prove that it had made genuine use of its mark.

6. I note that in paragraph 3 of the IPEC judgment, the judge, Mr Recorder Douglas Campbell QC, stated that the opponent/claimant has operated a well-known hotel in London under the name CLARIDGE'S since its incorporation in 1889 (and prior to that, when it started trading as an unincorporated business under the same name, in 1856). At paragraph 20, the judge stated:

“... I am entirely satisfied that the mark CLARIDGE'S has a very substantial reputation in the UK when used in relation to hotel services. There was a vast amount of evidence to this effect, both in the Claimant's Reply at paragraph [11] and in Mr Jackson's witness statement at paragraphs [12]-[56]. This covered such matters as its turnover (about £50 million or more annually since 2008), its marketing expenditure (about £1.5 million or more annually since 2008), its coverage in the press, its depiction in a BBC Two television series entitled "Inside Claridge's" which was originally aired in 2012, and the hotel's collection of international awards. This evidence was not substantially disputed by the Defendants, who sensibly accepted that the Claimant's mark had a reputation in the UK for hotel services. In her cross-examination Ms Shepherd agreed that *"most people in the UK are aware of Claridge's"* and that it is a hotel in London. This included herself.”

7. When these proceedings were suspended on 8 November 2018 at a case management conference, the evidence rounds had concluded, with evidence having been filed by the opponent and none by the applicant.² Upon resumption of the proceedings, Ms Shepherd appeared to be unaware, or at least confused, as to whether the professional representatives for the applicant had filed evidence in the opposition. She also appeared to be unaware as to what was filed on her behalf in the IPEC proceedings. It was her wish to file evidence to support her case in these proceedings, permission for which was granted. The applicant filed evidence, and the opponent filed evidence-in-reply.

² The CMC was attended by the parties' professional representatives.

8. The opponent requested a hearing at which to make submissions on the substantive section 5(3) and 5(4)(a) grounds of opposition against the application. The hearing took place before me via video conference on 30 November 2021 and was attended by Mr Alan Fiddes, of Murgitroyd & Company, for the opponent. The applicant did not attend and, despite several attempts by the tribunal to contact the applicant and Ms Shepherd a) to ensure that Ms Shepherd was aware of the hearing and b) to ascertain whether she, or anyone else, was attending for the applicant, no response was received.³

Evidence

9. The opponent's evidence-in-chief comes from Liam Cunningham, a director of the opponent.⁴ The applicant's evidence comes from Ms Shepherd.⁵ The opponent filed evidence-in-reply from Mr Gareth Price, a partner at the opponent's professional representatives.⁶ The evidence-in-reply adduces a copy of the IPEC judgment, a copy of the resulting court Order and Penal Notice, and a copy of an application by the opponent for the committal of Ms Shepherd for disobeying the court Order, which Mr Fiddes said will be heard in court next year.

Decision

Section 5(3) of the Act

10. It is convenient to start with the IPEC judgment. The judge found for the present opponent under section 10(3) of the Act and under the passing off claim. Section 10(3) mirrors section 5(3) of the Act, which is one of the grounds in these opposition proceedings (my emphasis to show the similar wording):

"5. – (3) A trade mark which-

³ Contact was attempted by email, regular post and signed-for postal delivery.

⁴ Witness statement and exhibits, 1 August 2018

⁵ Witness statement and exhibits, 8 June 2021

⁶ Witness statement and exhibits, 11 August 2021

(a) is identical with or similar to an earlier trade mark shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”⁷

“10. – (3) A person infringes a registered trade mark if he uses in the course of trade in relation to goods or services, a sign which is identical with or similar to the trade mark, where the trade mark has a reputation in the United Kingdom and the use of the sign, being without due cause, takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the trade mark.”

11. The goods of the opposed application are:

Class 3: Reed Diffusers with scented oils; Diffuser sets with scented refills and reeds; Room perfume sprays; Room fragrance preparations; Potpourri; Perfumery, eau de perfume, eau de toilette, perfume ,cologne, body spray; linen spray for personal use; Soaps; hand cream; body wash; hair shampoo; hair conditioner; bath oil; bath grains; body wash; facial cleanser; facial toner; facial moisturizer; facial lotion; facial cream and gel; eye cream and gel; face make up remover; eye make up remover; facial cleansing cream; facial cleansing lotion; facial and body exfoliating preparations; face and body masques; body powder; hair spray; hair mousse; hair gel; deodorant/antiperspirant.

Class 4: Candles; Fragrance candles; Scented candles; Fragranced candles; Candle wax; Fragrant, perfumed and scented wickless candles; fragrance, perfumed and scented wax bars and chips for use in fragrance warmers.

12. The goods for which the alleged infringement had taken place in the IPEC proceedings were candles and reed diffusers. Paragraph 6 of the IPEC judgment sets out the details of the present opposed application (recording that it was stayed in the

⁷ As the law stood at the commencement of these proceedings.

Intellectual Property Office (“IPO”) pending the outcome of the IPEC proceedings). At paragraph 8, the judge said:

“Some of the goods covered by the First Defendant's trade mark application are goods which the First Defendant has not yet sold, eg perfumery. The Claimant seeks relief in relation to such goods on a *quia timet* basis. The Defendants did not object to this approach as a matter of principle.”

13. This was later referred to as an all or nothing basis. As a result, the IPEC judgment concerns goods which are exactly the same as those in the opposed application. The judgment deals with identical claims, identical goods, and identical marks, including the same earlier registration, as these opposition proceedings. The IPEC claimant is the IPO opponent; the IPO applicant is the first IPEC defendant; and the witness in these IPO opposition proceedings, Ms Shepherd, is the second IPEC defendant. The relevant date for section 5(3) in these proceedings is the date when the applicant applied for its mark, 8 January 2018. The IPEC proceedings were issued on 12 October 2018, with the claim that the infringing use and passing off occurred from an unknown prior date.

14. I have already quoted from paragraph 20 of the judgment regarding the fact of the opponent's/claimant's reputation for hotel services in the UK, and I have referred to the concession in the counterstatement in these opposition proceedings that it is renowned. The quotation from paragraph 20 shows that the defendants, i.e. the current applicant and its director, the latter under oath in IPEC, agreed that the opponent has a reputation in the UK for hotel services. The judge said, at paragraph 21:

“Furthermore I find that this reputation of the CLARIDGE's mark goes beyond the mere fact that the hotel is very well known. In particular the CLARIDGE's mark has an image of luxury, glamour, elegance, and exclusivity as a result of the nature and extent of the Claimant's use thereof. Again there was ample evidence to support this conclusion. Much of it overlapped with the evidence mentioned above, but there was further evidence of the hotel's art deco history,

its many restorations and re-designs by world famous designers, and its renown as a hotel suitable for royalty, heads of state, and VIPs. The Defendant did not dispute this evidence.”

15. This accords with my view of the evidence filed in the present opposition proceedings, a view I would have reached even without having seen the judge’s words. Mr Cunningham’s evidence shows that Claridge’s hotel has had a long and distinguished history and is known, amongst other things, for its clientele, including very famous individuals and royalty, and its sumptuous decor. Gordon Ramsey took over the restaurant inside the hotel, Claridges, in 2001. In the year prior to the relevant date, the hotel’s turnover was over £69 million. Press articles show that a room starts at around £400 per night. The hotel has won numerous accolades, such as appearing in *The Sunday Times* top 10 London hotels (2013), hotel of the year in *GQ Magazine* (2015) and best business hotel in *Conde Nast Traveller* (2015).⁸ *Vogue* ranked Claridge’s as the best place in London for afternoon tea (£58pp) in 2017.⁹

16. The relevant case law in relation to section 5(3) can be found in the following judgments of the Court of Justice of the European Union (“CJEU”): Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Adidas-Salomon*, [2004] ETMR 10 and Case C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*.¹⁰ For a successful claim under section 5(3), cumulative conditions must be satisfied by the opponent: similarity between the marks; a qualifying reputation in the earlier mark; a link between the marks (the earlier mark will be brought to mind on seeing the later mark); and, one (or more) of the claimed types of damage (unfair advantage and/or detriment to distinctive character and/or detriment to the repute of the earlier mark). It

⁸ Exhibit LC5

⁹ Exhibit LC13

¹⁰ Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

is not necessary that the goods or services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

17. The judge found that the parties' marks are visually and aurally almost identical and that they are conceptually similar to a high degree in the sense that one is the possessive form of the other. I have already set out his findings in relation to the opponent's substantial reputation in hotel services and the particular, glamorous nature of the reputation. The judge found that CLARIDGE'S had acquired a high degree of distinctive character by virtue of its long and well-publicised use. At paragraph 51, the judge concluded that there is a link between the marks; i.e. the earlier mark will be brought to mind by the average consumer on encountering the applicant's mark. At paragraphs 54 and 56, the judge found in favour of the opponent, concluding that there would be unfair advantage in relation to all of the goods represented in the present application:

"54. I consider that notwithstanding the Defendants' own intentions and views, the effect of their use of the CLARIDGE mark will have been to cause a transfer of image from the Claimant's mark to the Defendants' sign in the mind of the average consumer. In particular the Defendants' sign does not merely take advantage of the fact that the Claimants' mark is so well known in relation to hotel services, but also takes advantage of its reputation for luxury, glamour, elegance, and exclusivity. I have no doubt that the Defendants' use of this sign does in fact enable them to charge higher prices for their products, and/or enables them to sell more of their products to consumers. As such it has an effect on the economic behaviour of their customers. This is not merely a commercial advantage but an unfair one.

...

56. The Defendants' use therefore infringes the '526 mark pursuant to s 10(3). Given that both sides approached this issue on an all or nothing basis, this conclusion applies to all of their products, both those they have already sold and those they intend to sell."

18. It seems to me that the facts and grounds in these opposition proceedings are materially the same as in the IPEC judgment. I find that the opponent succeeds under section 5(3) of the Act in relation to the application. In particular, the IPEC findings were made in relation to all of the goods of the present application, on a *quia timet* basis. That is to say, it was not a finding based purely on what goods had already been sold, but all those which might be sold under CLARIDGE as represented by this trade mark application. Even if the IPEC judgment did not exist, I would find the same, based upon the high level of similarity between the marks and the huge and luxurious reputation of the opponent's earlier mark for hotel services. The judge's *quia timet* approach is close to the approach I must take which is to consider the applicant's use on a notional and fair basis; e.g. cheap or expensive pricing. I must also consider the parties' marks only as they appear on the trade mark register. Ms Shepherd's evidence includes content relating to the parties' respective packaging, websites and the opponent's "Claridge's Hotel Crest". This is irrelevant as the marks at issue are CLARIDGE'S and CLARIDGE; this is all that I can consider.¹¹

19. My finding is the same as that of IPEC: use of the application would take unfair advantage of the reputation of the opponent's mark.

20. There has been no pleading of 'due cause' as a defence, and it is a defence which must be explicitly pleaded if it is relied upon. Nevertheless, because the applicant is now unrepresented and Ms Shepherd has made comments about an 'own name defence' (or, rather, her own address) in her evidence, I will address this potential issue. The 'due cause' defence operates when a finding of one or more of the types of damage has been made (as here) but that the claim should nevertheless fail because the applicant has 'due cause' to use the mark. The use by a party of a mark which predates that of the party objecting could constitute due cause; see *Leidseplein Beheer BV v Red Bull*, CJEU. That plainly cannot be the case here since Ms Shepherd states in her evidence that she and her family came up with the name, whereas the opponent's mark has been in use since 1856. In the same case, the CJEU held that

¹¹ *JW Spear & Sons Ltd & Others v Zynga Inc* [2015] EWCA Civ 290; [2015] FSR 19

the concept of due cause was not limited to cases in which there were objectively overriding reasons for use of the contested mark. Ms Shepherd, in her evidence, states:

“4. Deciding on a company name, in discussion with my family, it was decided we called [*sic*] it Claridge after my personal address which is Claridge House, 5 Claridge Court...where I have lived since 2013. All of Claridge Candles Limited products are manufacturer [*sic*] in our workshop at this address and all purchases, deliveries and returns are processed also from this address, as advertised on the company website.”

The Trade Marks Act 1994 in section 11(2) a [*sic*] states an individual is entitled to use his or her own name or address without it infringing a registered trade mark.”

21. Section 11(2)(a) of the Act states :

“A registered trade mark is not infringed by the use of his own name or address.”

22. Firstly, this section of the Act provides for a defence against infringement, not a defence against an objection as to whether a new trade mark should be registered. Secondly, in *Kenzo Tsujimoto v EUIPO*, the CJEU upheld the General Court’s finding that there is no unconditional right to register a name or forename (in this case, Kenzo).¹² The fact that Kenzo was the applicant’s forename was not enough to constitute due cause. An earlier English case said much the same thing: no one has an absolute right to his or her name.¹³ In *I N Newman Limited v Richard T Adlem*, the court stated that the ‘own name’ defence does not apply unless the user has taken reasonable steps to avoid deception.¹⁴ The court observed that the own name defence is very limited because people are free to choose and use other names under which to trade.

¹² Joined cases C-85/16 P and C-86/16 P

¹³ *Elvis Presley Enterprises Inc. v Sid Shaw* [1999] RPC 567

¹⁴ [2005] EWCA Civ 741

23. For all these reasons, including the fact that neither due cause or the own name defence were pleaded up front, in the counterstatement, any such defence would fail. There is a world of difference between a) putting your address on business papers and b) selecting a word from your address and applying to register that word as a trade mark.

Section 5(3) outcome

24. The ground of opposition under section 5(3) of the Act succeeds.

Section 5(4)(a) of the Act: passing off

25. Section 5(4)(a) states:

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b)...

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark.”

26. The three elements which the opponent must show are well-known: goodwill; misrepresentation leading to deception or a likelihood of deception; and, damage resulting from the misrepresentation.¹⁵

¹⁵ *Discount Outlet v Feel Good UK* [2017] EWHC 1400 (IPEC), Her Honour Judge Melissa Clarke, sitting as a deputy judge of the High Court.

27. The IPEC judgment records that neither side spent much time on the passing off claim. The judge found that the passing off claim succeeded on the basis of the opponent's/claimant's goodwill in relation to hotel services, against all of the goods listed in the current, contested, application:

“101. I consider that the Defendants' use of CLARIDGE on its products is likely to lead the public to believe that the goods offered by the Defendant are the goods of the Claimant or that there is some trade connection or association between the Claimant and the Defendants, notwithstanding the differences between hotel services and the Defendants' goods (eg candles). My reasoning is essentially the same as set out above in relation to likelihood of confusion in the context of s 10(3). In particular I rely on the similarity in the marks, the fact that both are premium offerings, the strength of the mark's reputation, and the degree of its distinctive character.

102. It follows that the Claimant succeeds on passing off. Again, no reason was given as to why this conclusion should be any different as between the products the Defendants have already sold and those they intend to sell, so the same conclusion holds for all of these products.”

28. There are two points I should mention. The first is the relevant date for consideration of the passing off claim. In a case where the contested mark is unused, it is the date when the application was made for the contested mark (in this case, 8 January 2018). However, if the contested mark has been used prior to the date of application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about. This is because if an applicant for registration was not passing off when it commenced use of the sign, a continuation of the same trade under the same sign is unlikely to amount to passing off at the application date.¹⁶ It could be that an applicant commenced use prior to an opponent. In this case, the issue is easily dealt with, at least in relation to the opponent's claimed goodwill in hotel services, its business having commenced in Victorian times. Ms

¹⁶ *Advanced Perimeter Systems Limited v Multisys Computers Limited* [2012] R.P.C. 14, Mr Daniel Alexander QC, sitting as the Appointed Person.

Shepherd does not specifically state in her evidence when exactly her business commenced, but it was after 2014 because that was the year in which she states that her accountant advised her to rename her previous business (a vehicle hire company) and to change its nature, since Ms Shepherd had decided to do something completely different. Therefore, the position at this date would have been no different to 2018, the opponent's goodwill in relation to its hotel business stretching back to the 19th century.

29. I consider that the present proceedings succeed not only in relation to the section 5(3) claim, but also in relation to the section 5(4)(a) claim based upon goodwill in relation to *hotel services*, given the strength of the goodwill in relation to CLARIDGE'S and the high degree of similarity between the opponent's sign and the contested mark.¹⁷ Like the finding in IPEC, I have arrived at this conclusion notwithstanding the differences between the opponent's services and the applicant's goods because a high degree of distinctiveness and strong goodwill can bridge the gap, especially where the earlier sign is a household name, as here.¹⁸ There will be misrepresentation and damage will follow. Damage could result from, for example, a dissatisfaction with the applicant's goods on the part of a customer or prospective customer of the opponent; that negative experience then manifesting itself as an avoidance of the opponent's services by the customer. There is a risk that the opponent will lose control over its reputation/goodwill.¹⁹

30. The opponent also relies on goodwill in relation to a business in candles, distinguished by use of its sign CLARIDGE'S. Given the strong findings above under sections 5(3) and 5(4)(a) in relation to the opponent's *hotel services*, it is unnecessary to say much about this additional pleading. However, because of the amount of litigation between the parties (which is ongoing in the courts), I will deal with it, for completeness. Candles presents a much weaker basis for the opponent's passing off claim. I note that, in the IPEC judgment, the judge said that there was evidence that the opponent had sold small quantities of candles, whilst making the passing off finding on the basis of the opponent's *hotel services*. In the IPEC evidence, there were

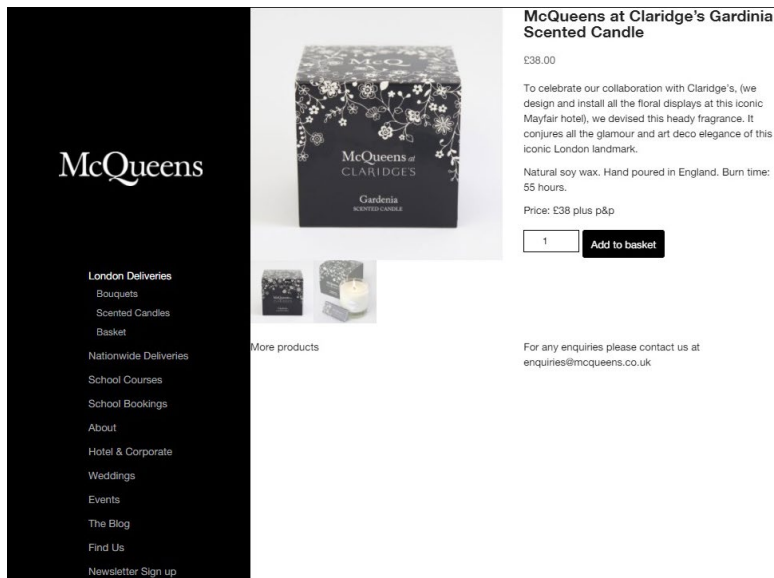
¹⁷ As earlier, it was conceded in the counterstatement that the hotel is renowned.

¹⁸ *Harrods Limited v Harrodian School Limited* [1996] RPC 697, Court of Appeal

¹⁹ *Ibid.*

candles supplied by a company called Fornasetti but without CLARIDGE'S having been used in relation to the candles, with a very low level of sales (about twenty per year since 2014). The judge said that other candles were said to be "Claridge's branded" and sold by a florist called McQueen's which has a retail outlet in the hotel, but that he was not shown how the McQueen candles had been sold or in what quantities. He made no finding regarding the claimant's/opponent's case based on candles.

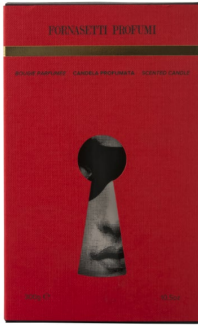
31. The current opposition proceedings also include evidence about candles; unlike the IPEC evidence, there are representations of the McQueen candles, which look like this:²⁰



32. This collaboration began in 2013, but there are no sales figures. There is a question regarding to whom the goodwill accrues (the opponent or McQueens). The other candles, those called 'Fornasetti' in the IPEC judgment, have been sold since 2014 in the hotel shop with a turnover of about £20,000 per year. A single example is provided in the evidence:²¹

²⁰ Exhibit LC17

²¹ Exhibit LC16



33. There is an even greater question as to whether any goodwill accrues to the opponent in relation to these candles; or, whether it is goodwill in relation to retail services of candles, which is also relied upon. The contract with the candle supplier shown in Exhibit LC16, dated 6 March 2017, shows that a single candle retailed at £140: these were for the hotel mini-bar. There is no evidence showing the sale of candles in the shop or what these were priced at. At a price point of £140 for the mini-bar candles, the sales figures show about 140 candles being sold per year. This appears to be insufficient to establish the requisite goodwill in relation to retail of candles which is a large market; evidence which has not been presented robustly enough to persuade me that it is non-trivial. The opponent's passing off claim based upon candles and the retailing of candles fails.

Section 5(4)(a) outcome

34. The ground of opposition under section 5(4)(a) of the Act, based on *hotel services*, succeeds.

Overall outcome

35. The opposition succeeds under sections 5(3) and 5(4)(a) of the Act. **The application is refused.**

Costs

36. The opponent has been successful and is entitled to a contribution towards its costs. Mr Fiddes submitted that the opponent should have a contribution to its costs

based upon the published scale up until the handing down of the IPEC judgment (29 July 2019).²² Thereafter, Mr Fiddes submitted that the opponent should have its costs on an off-scale or an indemnity basis, because the IPEC judgment and the subsequent Order of the court made it clear that the present applicant, and Ms Shepherd, had to cease using the contested mark.

37. The court Order and Penal Notice (dated stated 14 October 2019) prohibited the defendants (the present applicant and Ms Shepherd) from infringing the claimant's earlier mark 2397526 and/or passing off their goods and services as those of the claimant by using the mark CLARIDGE and/or any stylised form thereof or one which is colourably similar thereto. The defendants were ordered to change the company name of the present applicant to a name that does not include the word CLARIDGE or any other name colourably similar thereto.

38. Mr Fiddes submitted that the Order had clearly been disobeyed since the applicant had persisted in defending the current opposition proceedings, putting the opponent to unnecessary costs when the applicant should have withdrawn its application upon receiving the IPEC judgment. Mr Fiddes submitted that the continued use of the applicant's company name (which was changed to Mayfair Star Ltd but then changed back again to the present name) is a breach of the Order. Furthermore, since the IPEC judgment was handed down, the applicant and Ms Shepherd filed three further trade mark applications which contained CLARIDGE.²³ The award sought for work undertaken after 29 July 2019 is £7455 excluding VAT. Mr Fiddes provided an itemised bill to support the opponent's submissions, on 3 December 2021.

39. In *Goya Foods Inc. v Asnakech Thomas ("Amaro Gayo")*, BL O/257/18, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, considered an off-scale costs request for a withdrawn appeal. Mr Hobbs said:

"13. The long established practice in Registry proceedings is to require payment of a contribution to the costs of a successful party, with the amount of

²² Tribunal Practice Notice 2/2016

²³ None of which are now live applications or registrations.

the contribution being determined by reference to published scale figures. The scale figures are treated as norms to be applied or departed from with greater or lesser willingness according to the nature and circumstances of the case. The use of scale figures in this way makes it possible for the decision taker to assess costs without investigating whether or why there are: (a) disparities between the levels of costs incurred by the parties to the proceedings in hand; or (b) disparities between the levels of costs in those proceedings and the levels of costs incurred by the parties to other proceedings of the same or similar nature. The award of costs is required to reflect the effort and expenditure to which it relates without inflation for the purpose of imposing a financial penalty by way of punishment on the paying party.”

40. The applicant’s conduct in these proceedings after the IPEC judgment, when it was no longer professionally represented, has been chaotic at times. It was clear to me at the case management conference on 1 June 2021 that Ms Shepherd had little understanding of either the procedural requirements or the substantive issues in the opposition proceedings. She was highly confused by the different jurisdictions of IPEC, dealing with infringement and passing off, and the IPO, dealing with this opposition. Ms Shepherd thought that evidence in the IPEC proceedings had been filed in these proceedings, when that was not the case; and, requested copies of hers and the applicant’s evidence, which had formed part of the IPEC proceedings, from the opponent, as she did not have her own copy. Ms Shepherd appeared unable to obtain what she wanted to file from her previous attorney. This all added, together with her erroneous beliefs about the status of the opponent’s earlier mark, to extra work, both for the opponent and for the IPO. Looking at the IPO file, the IPO appears to have borne the brunt of this confusion, but I accept that it was necessary to write to the parties on several occasions, correspondence which the opponent was required to review, even if no action was required from the opponent itself.

41. As pointed out in *Amaro Gayo*, the scale is there to take account of the varying nature and circumstances of cases. It takes account of levels of costs in proceedings of the same or a similar nature. Many sets of proceedings every year before the IPO involve unrepresented parties. Such parties do sometimes cause proceedings to

become more procedurally complex than would otherwise be the case, simply through lack of understanding. That said, unrepresented parties have a duty to familiarise themselves with what is required of them, otherwise proceedings become a 'free-for all'.²⁴ There is a limit to the information that the IPO can reasonably provide; in particular, the tribunal.

42. I note the opponent's submissions regarding the applicant's company name, but this is a matter outside of these proceedings (and outside of the IPO's jurisdiction). It would be wrong for me to award indemnity costs on this basis. It would also be wrong to factor in an award for the other applications made to the IPO: these also do not form part of these proceedings. Finally, I do not feel it would be right to award costs on an indemnity basis because the applicant did not withdraw its application following the IPEC judgment. The Order did not refer to the present application and all the contact that Ms Shepherd had with the IPO emphasised the separate nature of the IPO proceedings. This appears to be why she filed evidence in these proceedings after the IPEC judgment.

43. I have given careful consideration to the opponent's request, but I have decided that costs off scale, or on an indemnity basis, are not appropriate. I can only consider what has happened in these proceedings. I do not see the applicant's conduct as being abusive, employing delaying tactics or amounting to unreasonable behaviour in these proceedings. Using the scale in the way envisaged in paragraph 13 of *Amaro Gayo*, i.e. ensuring that the award reflects the effort and expenditure to which it relates and does not impose a financial punishment, the breakdown is shown below. The award is at the upper end of the scale to reflect the relative work to which the opponent was put. I have made an award for the second case management conference, that held on 1 June 2021, which was caused by Ms Shepherd's confusion as to where she could obtain her evidence, and her mistakes about the status of the opponent's earlier mark. I have not made an award for the first case management conference, held on 8 November 2018, because I called it as a result of the forthcoming IPEC trial.

Statutory fee for the opposition	£200
----------------------------------	------

²⁴ *R (Hysaj) v Secretary of State for the Home Department* [2014] EWCA Civ 1633

Preparing a statement and considering the counterstatement	£500
Preparing evidence and considering and commenting on the applicant's evidence	£1600
Second CMC attendance	£400
Preparing for and attending the main hearing	£800
Total	£3500

44. I order Claridge Candles Limited to pay to Claridge's Hotel Limited the sum of **£3500**. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 21st day of December 2021

Judi Pike
For the Registrar

Annex: letter dated 2 June 2021 confirming the outcome of the case management conference held on 1 June 2021

Dear Ms Shepherd,

This letter confirms the outcome of yesterday's case management conference. Although the applicant has filed evidence, it is not in an acceptable format because it is headed up for the proceedings in the Intellectual Property Enterprise Court ("IPEC"), not for these proceedings in the IPO.

The applicant has until 14 June 2021 to regularise its evidence, including the exhibit header sheets, as per the guidance on the IPO website. A weblink to the guidance is contained in the IPO's letter to the applicant dated 2 February 2021. The evidence must be sent to the opponent's representatives at the same time as it is sent to the IPO; as per rule 64(6) of the Trade Mark Rules 2008 (as amended) ("the Rules").

I refer to the surrender and part surrender of the opponent's registration numbers, 2331738 and 2397526, both of which were initially relied upon by the opponent (claimant) in the IPEC proceedings. Regardless of what Mr Paul Jackson said at paragraph 9 of the witness statement filed in the IPEC proceedings (not in these IPO proceedings), the position is as follows:

- A form TM22 (full surrender, as per rule 33(a) of the Rules and section 45 of the Trade Marks Act 1994, "the Act") was filed against 2331738 on 22 March 2019.
- Four forms TM23 (partial surrender, as per rule 33(b) of the Rules and section 45 of the Act) were filed against 2397526, each time surrendering another portion of the goods and services, on 5 November 2018, 22 March 2019, 14 May 2019 and 6 August 2020.

Therefore, given the filing of the statutory forms under rule 33 of the Rules and section 45 of the Act, 2331738 has been surrendered in full, whilst 2397526 remains

registered for some goods and services, including 'hotel services' upon which the opponent's section 5(3) ground is based in these (IPO) proceedings. That 2397526 remained (and remains) registered for some goods and services after the date of Mr Jackson's witness statement of 27 March 2019 is clear from paragraph 5 of the IPEC judgement *Claridge's Hotel Limited v Claridge Candles Limited & Anor* [2019] EWHC 2003 (IPEC), which was handed down on 29 July 2019. That same paragraph of the IPEC judgement also records that 2331738 was surrendered in full.

Finally, I remind the parties that all communications with the IPO (Tribunal) must be copied to the other party to the proceedings.

Dated this 21st day of December 2021

Judi Pike

Hearing Officer

Trade Marks Registry