

BL O/0812/26

TRADE MARKS ACT 1994

IN THE MATTER OF UK REGISTRATION
NUMBER UK00917970869 IN THE NAME OF
REDBOOK HOLDINGS LIMITED (“Redbook”)

AND IN THE MATTER OF AN APPLICATION
FOR REVOCATION THEREOF UNDER
NUMBER 507186 BY PRIVATE BUSINESS
SOLUTIONS INVESTMENT LIMITED (“PBSI”)

DECISION ON COSTS

1. This decision relates to an Appeal from the decision of the Hearing Officer, Mr Andrea Rossi, in this matter, number O/0658/25. That decision found that the proprietor of the trademark in suit (here after Redbook) failed to prove genuine use of that trade mark had been made in the UK in Classes 9, 35, 38, 42 and 45. Redbook appealed this decision.
2. I have previously indicated that, at the request of Private Business Solutions Investment Limited (hereafter PBSI), the decision of the Hearing Officer in this matter should be set aside. The hearing of this appeal therefore did not take place and the trademark in suit remains on the register. All that remains to be done is for me to rule on the issue of costs.

Background

3. There were two related matters involving the same parties, namely, OP443956, CA506348 (the “Related Cases”).
4. On 22 January 2026, the Redbook requested that the hearing of this Appeal be postponed pending the outcome of the Related Cases. PBSI was asked for, but did not provide, its views on postponement. Nonetheless, I decided that it was in the interests of justice and procedural economy that the hearing be postponed.
5. On 6 March 2026 PBSI wrote to the UKIPO requesting the “withdrawal of the revocation proceedings in their entirety, so it is deemed to have never been filed”. It did not (and did not have to) explain its motivation for making this request. I acceded to the request and the appeal was vacated.
6. On 9 March 2026 Redbook requested that any order on costs be stayed until the Related Cases were concluded. PBSI resisted this request.

7. On 17 March 2026 I stayed the issue of costs pending the resolution of the Related Cases. I did so because it appeared to me to be the more procedurally efficient, and just, course to take.
8. On 7 June 2026 I was informed by the UKIPO that the Related Cases had concluded.

Costs

9. This decision relates only to this case. I have no jurisdiction over, and have received no submissions in relation to, the Related Cases.
10. I have received brief submissions from both parties on costs. Neither party referred me to any authority.
11. Redbook submitted by email that it was entitled to its costs on, in effect, the so called “off-scale” basis for the following reasons:
 - a. this dispute was an existential threat to its business in the UK;
 - b. it’s current representative in the UK had costs relating to the appeal of £12,000. I was however provided with no breakdown of how these costs were incurred;
 - c. prior to this appeal unspecified sums would have been incurred by its previous UK representatives and by its Chinese representatives;
 - d. it had made a proposal for a settlement on 20 August 2025 on a without prejudice save as to costs basis (the “20th August Letter”). If these had been High Court proceedings it would have made that offer on a Part 36 basis;
 - e. the offer in the 20th August 2025 Letter was rejected by PBSI (it appears on or about 3 October 2025), and
 - f. it followed that costs on the usual, compensatory basis, would not adequately compensate Redbook.
12. PBSI submitted, in summary as follows:
 - a. it had sought revocation on the basis of Section 46(1)(a) Trade Marks Act 1994 (i.e. “non-use”);
 - b. before the Hearing Officer Redbook failed to prove genuine use had been made in the UK in Classes 9, 35, 38, 42 and 45;
 - c. as such PBSI was successful and was awarded, by the Hearing Officer costs amounting to £850;

- d. the award of £850 should stand;
- e. there should be no award of costs on appeal, because:
 - i. despite not proving genuine use Redbook's trade mark will be reinstated.
 - ii. there has been no hearing or decision on the appeal.
 - iii. both parties have incurred costs on the appeal.

13. In the 20th August Letter Redbook addressed both the Related Cases and this appeal. In respect of the Related Cases it stated that:

The case has clearly been sitting with the hearing officer because it appears large and difficult. If the hearing officer has to write a long decision on all the grounds, the costs order could be quite significant. However, if the application and revocation were unconditionally withdrawn promptly then there would be no automatic costs order.

14. In relation to the appeal in this matter it stated that:

I appreciate that your client has been awarded costs in the revocation case but that is under appeal and therefore payment of those costs is suspended and could well be reversed if the appeal is successful. Your destruction of the relevance of the evidence was obviously quite influential. However, at the appeal stage, the grounds are that the hearing officer didn't look at the appropriate market which as your client well knows includes the quite significant Chinese speaking population in this country. It may be much harder for you to persuade the appointed person to ignore relevant material at the appeal stage. Of course you are not under any obligation to be present at the appeal. Since the appeal has suspensive effect I believe you still have the opportunity to withdraw the revocation and this would represent a dignified conclusion for all concerned.

15. I have been provided with no explanation as to why this appeal or the Related Cases were abandoned. I therefore don't know whether these matters were abandoned by PBSI for the reasons set out in the 20th August Letter, or for other reasons.

16. More importantly, I am not in a position to judge whether or not PBSI's continuation of this appeal after receipt of the 29th August Letter was unreasonable. To do so I would have to consider the merits of the assertions made in that letter, and without detailed submissions on the point I am not in a position to do so. I make no criticism of Redbook for failing to provide such detail as it seems likely to me that to do so would be disproportionate to any potential costs benefit.

17. The position as it appears to me is therefore as follows:

- a. PBSI brought a case which it won at first instance;

- b. it was offered a settlement on terms if it abandoned this appeal and the Related Cases;
 - c. the offer was rejected in October 2025, and substantial but unparticularised costs have been incurred by Redbook in relation to the Appeal;
 - d. in March 2026 PBSI unilaterally abandoned its this case and the Related Case.
18. There are three issues to be decided. First, is Redbook entitled to its costs at first instance and/or on this Appeal. Second, are those costs to be awarded on the normal contributory basis or on a compensatory (frequently referred to as an “off-scale” cost) basis. Third, what are the appropriate sums in costs and what should the payment period to be.
19. It seems to me that Redbook is entitled to its costs both of this appeal and at first instance. It is clearly the effective winner as the position, as a result of PBSI’s voluntary abandonment of the appeal and first instance decision, now is as if this action had never been brought;
20. It seems to me that the appropriate order for costs on the contributory basis would be:
- a. PBSI’s award of £850 towards its costs before the Hearing Officer be overturned;
 - b. Redbook receive £850 towards its costs before the Hearing Officer, and
 - c. Redbook receive £1500 towards its costs on appeal.

Where such costs are to be paid within 21 days of the date of this decision.

21. I turn now to the question of compensatory (“off-scale”) costs. Neither party took me to any authority relating to off-scale costs. For present purposes it is sufficient for me to refer to the brief summary of the approach to be taken as set out in the decision of Martin Howe KC, sitting as the Appointed Person in O-154-22 at paragraphs 4 & 5, which states as follows:

4. It is the practice of the Appointed Persons on appeal normally to award costs by applying by analogy the scale of costs used for contested proceeding in the Office. In any but the lightest cases, “scale costs” provide only a modest contribution to the costs of the successful party and come nowhere near to providing full compensation for the actual level of costs incurred. I understand that the policy behind this practice is so as not to deter applications or appeals being brought in what should be a low-cost jurisdiction through fear of large adverse costs orders.

5. In general, where an appeal is brought on grounds that are reasonable and is then pursued in a reasonable way, an appellant should not fear an “off scale” costs order even if the appeal fails. However, once a party steps outside the bounds of pursuing grounds which are reasonably arguable and outside the bounds of reasonable procedural behaviour, that party becomes at risk of an award of costs more closely reflecting the actual costs incurred by the opposing party. It should be borne in mind however that so-called “off scale” costs orders are in no way a penalty - they simply reduce the gap between actual costs incurred and recoverable costs for the successful party.

22. I also remind myself of what is said in Patent Office practice note TPN 1/2023 at paragraphs 5 & 6 in relation to costs before a Hearing Officer. Thus:

5. Notwithstanding the published scale, the Tribunal retains the discretion to award costs “off the scale” to deal proportionately with unreasonable behaviour. It is not possible to set out all the circumstances in which a Hearing Officer might depart from the scale. It is worth clarifying though that just because a party has lost, this in itself is not indicative of unreasonable behaviour. Some examples of what might constitute unreasonable behaviour include a party seeking an (avoidable) amendment to its statement of case which, if granted, would cause the other party to have to amend its statement or would lead to the filing of further evidence. Other examples include behaviour designed to delay, frustrate or unreasonably increase the costs/burden on the other party and/or repeated breaches of procedural rules. Off-scale costs may also be awarded if a losing party unreasonably rejected efforts to settle a dispute before an action was launched or a hearing held, or unreasonably declined the opportunity of an appropriate form of Alternative Dispute Resolution.

6. The level of off-scale costs will, generally speaking, be commensurate with the extra expenditure a party has incurred as a result of the unreasonable behaviour. Any claim for costs approaching full compensation or for “extra costs” will need to be supported by a bill itemizing the actual costs incurred. There may be some circumstances where costs below the minimum indicated by the published scale are awarded. For example, a party who does not follow a suggestion from the Hearing Officer as to the most efficient means of managing the case, may only be entitled to whatever award they would have received if they had followed the Hearing Officer’s suggestion.

23. Finally, I note that there is no equivalent of CPR Part 36 before the Appointed Person. CPR Part 36 has very specific requirements and is set within the very different context of High Court litigation. Its specific costs consequences are not, in my view, relevant to the question off off-scale costs before the Appointed Person. Nonetheless, I do need to consider whether PBSI’s decision to continue this appeal following the 20th August Letter is a sufficient reason to award off-scale costs.

24. In my view there are two reasons in this case why I should not make an order for off-scale costs:

- a. i am, for the reasons summarized above, not in a position to judge whether, following the offer in the 20th August Letter, it was unreasonable for PBSI to continue its appeal, and
- b. to make a fair award of costs on a contributory basis it seems to me that a party must both particularise and, if necessary, explain the basis upon which costs have been incurred. It also seems to me that such explanation should be provided in a short witness statement (there being no equivalent of the signed cost schedules provided in Court). Without such particularisation the just assessment of costs is, in my view, not possible. It follows that the bare assertion in an email that cost of £12000 have been incurred in “matters relating to this appeal” is not good enough.

Order

25. In the light of the matters set out above I make the following order

- a. The decision in O/0658/25 is set aside.
- b. The Hearing Officer’s direction (stayed pending this appeal) that the Redbook pay the PBSI the sum of £850 is set aside
- c. PBSI will pay Redbook the following sums within 21 days of the date of this decision:
 - i. a sum of £850 by way of a contribution to Redbook’s costs at first instance, and
 - ii. a sum of £1500 by way of contribution to the Redbook’s costs of this appeal.

Geoffrey Pritchard
Appointed Person
7 September 2026