

O-122-10

SUPPLEMENTARY DECISION

**TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No 2416626
BY MAXIMUSCLE LIMITED
TO REGISTER THE TRADE MARK
LEUKIC
IN CLASSES 5, 30 & 32**

**AND IN THE MATTER OF OPPOSITION THERETO
UNDER No. 94569
BY FOREIGN SUPPLEMENT TRADEMARK LIMITED**

BACKGROUND

1) On 4 June 2009 I issued a decision in the above case. The opponent appealed against the award of costs and, following a hearing before Geoffrey Hobbs QC, acting as the Appointed Person, the case has been remitted back to me to determine the costs, taking into account the information now before me on the actual costs incurred by the opponent, and the request from the opponent for an award of costs off the Registry's published scale. The request for costs off the scale was one which was not made at the original hearing.

2) In his decision, the Appointed Person directed that paragraphs 79 & 80 of my decision be struck out.

3) As required I have considered this issue anew and have reached the following determination:

COSTS

4) As the opponent has been successful it is entitled to a contribution towards its costs. The opponent has asked for costs beyond the normal scale. Given that the issue at stake involved bad faith under Section 3(6) then it is appropriate to consider whether to award costs beyond the Registry's normal scale of costs. The applicant (in the guise of Mr Eisenberg) is, by his own evidence, a leading player in the UK sports nutrition industry. Yet, he sought to appropriate a competitors' trade mark, in the full knowledge that, historically, there is a delay between launch in the USA and the UK of approximately 6- 12 months. In such circumstances an award beyond the normal scale is reasonable. I therefore turn to consider the schedule of costs provided by the opponent.

	Time period	Description	Hours	Fee £
1	17.05.06 – 10.08.06	Investigating Applicant's LEUKIC application and pre-action correspondence (prior to filing opposition).	14.00	6,372
2	10.08.06 – 22.11.06	Preparing and filing the opposition and statement of grounds.	17.30	6,045
3	04.01.07 – 18.02.08	Preparing opponent's first round of evidence.	162.54	42,506.60
4	19.02.08 – 13.03.08	Interlocutory hearing dealing with applicant's permission to file evidence out of time. *	6.00	1,918.80
5	10.04.08 – 04.06.08	Considering Applicant's first round of evidence.	62.00	13,307.40
6	05.06.08 – 05.08.08	Preparing Opponent's second round of evidence.	115.42	27,116.40

7	07.08.08 - 17.10.08	Applicant's request for permission to file an additional round of evidence and correspondence.	8.12	2,568.60
8	10.11.08 - 23.01.09	Considering Applicant's third round of evidence.	16.48	3,727.20
9	26.01.09 - 23.03.09	Drafting Opponent's submissions and considering Applicant's submissions.	70.12	20,448.60
10	24.03.09 - 05.06.09	Dealing with the issue of having a hearing.	15.12	5,047.80
	TOTAL		488.30	129,058.40

*The Hearing Officer made an order for costs following the interlocutory hearing and awarded the Applicant costs of £100.

5) The statement of grounds consisted of a single page form and an attached annex with three paragraphs setting out who and what the opponent and applicant are, the fact that they are in competition, have clashed over other trademarks and that the opponent believes that the applicant is acting in bad faith. The schedule of costs shows that fourteen hours were spent under heading one and seventeen and a half hours on activity two. This seems disproportionate when considering what was actually produced. To my mind the reasonable cost of this activity was 15% of items 1 & 2 which equates to £1,862.55.

6) The opponent's first round of evidence consisted of six witness statements. The main statement by Mr Scalisi consists of six pages (25 paragraphs) yet with exhibits fills a complete ring binder. Most of the exhibits are simply copies of magazines or internet pages and are very repetitive in nature. The maxim "never mind the quality feel the width" seems to have been foremost when putting together the exhibits. The independent witness statements are commendably succinct, however, the evidence of the Trade Mark Agent Mr Brooks is capacious, but of limited assistance in determining the issue. The schedule shows approximately 163 hours billed under item 3. Much of this is identified as gathering/compiling evidence and identifying witnesses by use of the internet and visiting bodybuilding gyms. Much of the evidence gathered was of little or no assistance to me in reaching my decision. Therefore only 20% of this is reasonable £8,501.32.

7) The costs at item 4 relate to an interlocutory hearing where the opponent objected to the applicant being granted an extension of time to file evidence. The extension of time was granted and costs awarded against the opponent. Having brought an unsuccessful action I do not see why the opponent should attempt to gain costs. The whole of this item is disallowed.

8) The applicant's evidence was substantial in that it consisted of three ring binders. However, much of this was in response to the evidence of Mr Brooks and so therefore was of little relevance to my decision. I do accept that the opponents would have had to read the evidence in order to ascertain this fact. This is said to have taken sixty two hours, although it also includes six hours of preparing evidence in reply which should be included in the next item. Having had to read, summarise the evidence for my decision, and consider it in the light of the case took me considerably less time than the opponent's representatives. Of the costs under item 5, I will allow as reasonable 30% of the total claimed, £3,992.22.

9) The opponent's evidence in reply consisted of a second witness statement by Mr Brooks. His twenty two page statement contained a degree of submission with regard to the applicant's evidence. It also had attached two ring binders of exhibits which were repetitious and fall into the same category as his earlier evidence. Some of what he said in his statement was of assistance in my decision but, whilst not quite a needle in a haystack, was outweighed by the less than helpful evidence. The schedule shows that approximately 122 hours were spent on this (including the six from item 5). I therefore allow 10%, £2,711.64, representing the reasonable cost of this work.

10) Item 7 refers to the applicant's request to file additional evidence. The opponent's representatives wrote a two page letter to the Registry on 8 August 2008 and also mentioned the issue in one paragraph of a letter dated 2 October 2008, the balance of which concerned the suspension of other cases between the parties. The schedule of costs shows that this took over eight hours. This seems somewhat excessive. I will allow 10%, £256.86 as a reasonable cost of this work.

11) Item 8 relates to considering the additional evidence filed by the applicant. This is said to have taken approximately seventeen hours. This seems somewhat on the high side, even though the applicant's evidence was substantial. I will allow 50% of this item, £ 1,863.60

12) Item nine relates to the written submissions provided as neither side requested a hearing. Somewhat unusually the opponent put in its original submissions, then two rounds of supplemental submissions, with additional evidence. The second supplemental submission related to the issue of whether Mr Eisenberg's additional evidence should be considered as being challenged. I dealt with this point briefly at paragraph 70 of my decision, yet the opponent's representatives saw fit to file ten pages of submissions and 46 pages of evidence. The original written submissions also contained a substantial summary of the evidence, which is unnecessary, as it can simply be referred to by statement and paragraph number as and when it is relevant to the point being made. I also note that the amount sought far exceeds the amount that could reasonably have been claimed if the opponent had attended the hearing. It is usually expected that written submissions should not be filed in lieu of a hearing if they are liable to increase costs. They are expected to be less costly. Of the approximately seventy hours billed I will allow 20%, £4,089.72

13) Item 10 seems in the circumstances to be bizarre. It relates to a period after the initial round of written submissions, and would seem to refer to the issue of whether the applicant's last round of evidence was challenged. The opponent did refer to the possibility of a hearing should I determine that the applicant's evidence was not challenged but quite why such a minor issue would have required over sixteen hours, when it was covered by the supplementary submissions is not clear to me. This matter appears to have been covered by the opponent's supplemental submissions which have already been charged at item nine (see paragraph 12 above). The applicant should not have to pay the additional cost caused by the opponent's choice to deal with matters sequentially in writing instead of at a single hearing. I reject the item entirely.

14) The paragraphs above combine to the following conclusion. I order the applicant to pay the opponents the sum of £23,277.91. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against the decision is unsuccessful.

Dated this 21 day of April 2010.

**George W Salthouse
For the Registrar,
The Comptroller General**