

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK REGISTRATION NUMBERS 3076376 AND  
3083236 BY NOW HEALTHCARE LIMITED

AND IN THE MATTER OF APPLICATION NUMBERS 501142 AND 501143 BY  
DOCTOR NOW LIMITED FOR THE REGISTRATIONS TO BE DECLARED  
INVALID AND CANCELLED

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DECISION AS TO COSTS

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1. This is an appeal against the costs order made in the decision of Allan James for the Registrar dated 21 August 2017 (O-392-17).
2. The proceedings concerned two applications by Doctor Now Limited (“*the applicant*”) to invalidate trade mark registration numbers 3076376 and 3083236 in the name of Now Healthcare Group Limited (“*the proprietor*”).
3. In his decision the Hearing Officer concluded as follows:

**Overall outcome**

99. The application to invalidate the contested marks succeeds in classes 5, 35 and 44, but fails in class 42. This means that the registration 3076376 will be cancelled and the marks deemed never to have been registered. Registration 3083236 will be partially cancelled and the marks deemed never to have been registered so far as class 35 is concerned. However, the marks covered by registration 3083236 will remain registered in class 42.

**Costs**

100. The application for cancellation has succeeded to a greater extent than it has failed. Therefore, the applicant is entitled to a contribution towards its costs. I assess these as follows:

- (i) £350 for filing an application for invalidation (including the official fee) and considering the proprietor’s counterstatement;
- (ii) £375 for filing evidence and considering the proprietor’s evidence;
- (iii) £200 for filing written submissions.

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101. I have reduced the amount awarded in costs for filing the applicant's evidence by 50% to reflect the inconvenience caused by the applicant filing over 300 pages of evidence (without seeking directions), a significant part of which turned out to be irrelevant because it went to use of the earlier mark after the relevant dates.

102. I order Now Healthcare Group Limited to pay Doctor Now Limited the sum of £925 within 21 days of the end of the period allowed for appeal.

4. On 18 September 2017 a Notice of Appeal was filed on behalf of the proprietor ("*the Appellant*") appealing the decision as to costs.
5. On 11 October 2017 a Respondent's Notice was filed.
6. On 1 February 2018 a letter was sent to the parties notifying them that in accordance with Section 76 of the Trade Marks Act 1994 that the hearing of the appeal was fixed for 2 pm on 1 March 2018.
7. Following emails from both parties dated 13 February 2018, in which it was asked whether the appeal could be determined on the papers, it was indicated by the Appointed Person that, provided the Registrar had no objection, the appeal could be determined on the papers and the hearing of the appeal vacated. A further direction was given stating that if either party wished to rely upon any written submissions for the purposes of the appeal they should be filed with the Appointed Person and the other party by 4 pm on 27 February 2018.
8. On 26 February 2018 an email was sent by the Appellant indicating that (1) the Appellant wished to withdraw the appeal; and (2) the Appellant had requested consent from the Respondent on 23 February 2018.
9. On 26 February 2018 it was confirmed to the parties by the Appointed Person that consent was not required for the withdrawal of an appeal.
10. On 27 February 2018 the Respondent sent an email to the Appointed Person in which it was stated as follows:

Further to your email [of 26 February] we understand that this matter will now conclude with the original costs award maintained.

However we request that the Respondent's costs in attending to this appeal thus far be taken into account.

11. On the basis of the email correspondence further directions were given by the Appointed Person as follows:

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- (1) On or before 10 am on Wednesday 28 February 2018 the Appellant confirm in writing that the above appeal is withdrawn;
- (2) In the event of such confirmation on or before 4 pm on Friday 2 March 2018 the Respondent to the Appeal must confirm in writing whether or not he is claiming costs other than on the standard scale;
- (3) In the event that Respondent confirms that he intends to seek an order for off scale costs then on or before 4 pm on Friday 9 March 2018 the Respondent must provide: (a) a copy of a bill itemising the actual costs upon which he intends to rely for that purpose; and (b) provide a reasoned statement in support of his request for costs to be awarded on an off scale basis.
- (4) On or before 4 pm on Friday 16 March 2016 the Appellant should provide any written submissions that he would wish to make in response to the Respondent's application for costs.

Thereafter Miss Himsworth will consider and then issue a decision as to costs on the basis of the papers before her.

For the avoidance of any doubt: (1) in the event that the Appeal is withdrawn the order made on the basis of the Hearing Officer's decision below will come into effect including the order as to costs; and (2) the parties are reminded that all communications with the Appointed Person must be copied to the Registrar and all other parties to the appeal.

In the event that the Appellant does not confirm that the appeal is withdrawn Miss Himsworth will proceed to determine the appeal on the papers.

12. Pursuant to those directions (1) the Appellant confirmed that the appeal was withdrawn; and (2) the Respondent confirmed, by letter dated 2 March 2018 that it was not seeking an award of off scale costs in respect of the appeal but rather sought an order for costs in accordance with the scale. In that connection the Respondent went on to submit that the review of the Appellant's Notice, taking instructions and preparing the Respondent's Notice fell into the category of 'Preparing a statement and considering the other side's statement' section of the scale costs set out in

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TPN2/2016; and that the procedural research and preliminary preparations for the appeal hearing fell under the 'Preparation for and attending a hearing' section of the scale costs set out in TPN2/2016.

13. The Appellant did not file any further written submissions.
14. I must therefore consider the application by the Respondent for an order for the costs that had been incurred in relation to the appeal prior to it being withdrawn.
15. The general position in relation to costs is set out in Section 68(1) of the 1994 Act which states:

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.

Rule 67 of the Trade Mark Rules accordingly provides that:

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.

16. As stated in the Decision As to Costs of Mr Geoffrey Hobbs QC in EDGE Trade Mark (O-295-14) at paragraph [10]:

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 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 Appointed Persons normally draw upon this approach when awarding costs in relation to appeals brought under section 76 of the 1994 Act.

17. This approach to the assessment of costs has been retained for the reasons explained in Tribunal Practice Notice TPN 2/2000 updated and supplemented by Tribunal Practice Notices TPN 4/2007 and TPN 2/2016.
18. As noted above the Respondent has requested an award of costs on the basis of the current scale. However TPN 2/2016 is only applicable to awards of costs in

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proceedings commenced on or after 1 July 2016. The present proceedings were commenced in February 2016 and therefore it is TPN 4/2007 which is applicable.

19. It seems to me that having regard to the papers before me, and in particular the matters set out above, that it would be fair and proportionate to award the Respondent £500 as a contribution towards the costs of the review of the Appellant's Notice, taking instructions and preparing the Respondent's Notice together with the preliminary preparations for the appeal prior to it being withdrawn.
20. For the avoidance of any doubt, as noted above, this is in addition to the costs order of the Hearing Officer below which should already have come into effect following the withdrawal of the appeal.
21. I will therefore order that Now Healthcare Group Limited pay Doctor Now Limited £500 within 21 days of this Decision as to Costs.

EMMA HIMSWORTH QC

Appointed Person

19 March 2018