

O-196-04

TRADE MARKS ACT 1994

IN THE MATTER OF:

OPPOSITION No. 50011

IN THE NAME OF

B.S.A. (FORMERLY BESNIER S.A.)

TO TRADE MARK APPLICATION No. 2170658

IN THE NAME OF

CERVECERIA NACIONAL DOMINICANA

DECISION

1. On 20th May 2002 Mr. John MacGillivray issued a decision on behalf of the Registrar of Trade Marks rejecting the opposition of B.S.A. (formerly Besnier SA) to trade mark application number 2170658 in the name of Cerveceria Nacional Dominicana.

2. The Opponent gave notice of appeal to an Appointed Person under Section 76 of the Trade Marks Act 1994. At the request of the parties the hearing of the appeal was deferred to allow time for settlement negotiations to take place.

3. No settlement was achieved and the hearing of the appeal was fixed for 17th May 2004. On 12th May 2004 the Opponent sent a letter to the Treasury Solicitor's Department (with a copy to the Applicant) stating that it had decided to withdraw its opposition to the application in suit and confirming that it would therefore not be proceeding with its appeal. The Applicant then applied for an award of costs in respect of the abandoned appeal.

4. On 19th May 2004 I gave directions for the filing of information and observations in relation to the request for costs. The directions followed the practice adopted by this tribunal in similar situations, see, for example, the decisions which can be found on the Trade Marks Registry website under the following references: 0/269/02 (12/06/02), 0/074/03 (12/02/03), 0/084/03 (01/04/03) and 0/126/03 (06/05/03). I required:

- (1) an itemised summary of the work and expenditure covered by the Applicant's claim for costs, this to be provided in writing on or before 28th May 2004;
- (2) any observations that the Opponent might wish to make in relation to the contents of the summary referred to in (1) above, such observations to be provided in writing on or before 7th June 2004;
- (3) any observations that the Applicant might wish to make in reply thereto, these to be provided in writing on or before 17th June 2004.

5. The itemised summary provided by the Applicant claimed an award of £900 on the following basis:

- 9 July 2002 Study by a partner, Mr. John Slater of the Grounds of Appeal to the Appointed Person, reporting to US attorney representing Applicant, and explaining option for case to be transferred to the Court.
Time: 1 hour at partner rate of £260/hr = £260.
- 30 July 2002 E-mail correspondence with US attorney dealing with questions relating to option to transfer to the Court and correspondence with Registrar confirming agreement that Appeal be referred to the Appointed Person.
Time: ½ hr at partner rate of £260/hr = £130.
- 1 April 2002 Noting Hearing of Appeal fixed for 29 April 2004, reporting to client and agreeing representation by Marks & Clerk partner, John Slater.
Time: 12 mins at partner rate of £300/hr = £60.
- 12 May 2004 Begin preparation of Skeleton Arguments for Appeal Hearing including review of Registrar's 17 page Decision dated 20 May 2002.
Time: 1½ hrs at partner rate of £300/hr = £450.

The letter providing the summary explained that the work of preparing for the hearing of the appeal had been intercepted at 11.19 a.m. on 12th May 2004 by the Opponent's letter of the same date confirming abandonment of the appeal.

6. The Opponent accepted that the Applicant was, in principle, entitled to an award of costs, but maintained that the figure of £900 "would seem excessive

having regard to what any final award of costs might have been had the appeal proceeded to a hearing and the [opponent] being unsuccessful”. The Applicant maintained that its request for costs was accurate (in terms of the work specified) and reasonable (both as to charging rate applied and the time spent on the work in question).

7. 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 normal draw upon this approach when awarding costs in relation to appeals brought under Section 76 of the 1994 Act.

8. 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 parties to other proceedings of the same or similar nature. This approach to the assessment of costs has been retained for the reasons identified in Tribunal Practice Notice 2/2000 (Kerly’s Law of Trade Marks and Trade Names 13th Edn. 2001 pp. 1009 et seq).

9. The Applicant is entitled to be regarded as the successful party to the present appeal. Taking account of the matters I have identified in paragraphs 5 to 8 above, I consider that a fair and proportionate sum to award in respect of the

aborted appeal in the present case would be £795. The Opponent is directed to pay that sum to the Applicant within 10 days of today's date. It is payable in addition to the sum of £600 awarded by Mr. MacGillivray in respect of the proceedings in the Registry.

Geoffrey Hobbs Q.C.

16th June 2004

Marks & Clerk represented the Applicant.

Frank B. Dehn & Co. represented the Opponent.