

O/0180/24

TRADE MARKS ACT 1994

TRADE MARK REGISTRATION No. 2496829

IN THE NAME OF STEVEN DALE

AND

APPLICATION No. 84886 BY CROSSBILL DISTILLING LIMITED

FOR RECTIFICATION OF THE REGISTER

AND

A REQUEST BY STEVEN DALE FOR AN AWARD OF COSTS

DECISION ON COSTS

1. Trade mark registration 2496829 stands in the name of Steven Dale.
2. On 27th February 2023, Crossbill Distilling Ltd (“the applicant”) applied under section 64 of the Trade Marks Act 1994 (“the Act”) for the register to be rectified so as to show it as the proprietor of the trade mark.
3. The applicant is not legally represented. Mr Dale is represented by Murgitroyd & Company, trade mark attorneys.
3. Following a procedural hearing held on 12th January 2024, I rejected the application because the grounds for rectification revealed no proper or identifiable basis on which such an application could succeed. My reasons were set out in a letter of the same date.
4. Following the hearing, Mr Dale’s legal representative requested an award of costs in his favour.
5. The applicant resists an award of costs, partly on the basis that Mr Dale is said to have gone bankrupt and the trade mark at issue is, and was at the time of the hearing, property held by the administrator of his estate and not by him.
6. That is not something which prevents an award of costs in favour of Mr Dale. If Mr Dale has gone bankrupt the administrator’s role is to realise and manage his assets, primarily for the benefit of his creditors. The administrator would have control of his assets, but would not ‘own’ them. Any costs due to Mr Dale would become part of the estate under the control of the administrator.
7. This brings me to the question of whether Mr Dale is entitled to an award of costs and, if so, on what basis. At this point it is necessary to say a little more about the events leading up to my rejection of the applicant’s application.
8. Section 64(1) of the Trade Marks Act 1994 (“the Act”) states:

“(1) Any person having a sufficient interest may apply for the rectification of an error or omission in the register:

Provided that an application for rectification may not be made in respect of a matter affecting the validity of the registration of a trade mark.”

9. Rule 44 of the Trade Mark Rules 2008 (“the Rules”) states:

“44.—(1) An application for rectification of an error or omission in the register under section 64(1) shall be made on Form TM26(R) together with:

(a) a statement of the grounds on which the application is made; and

(b) any evidence to support those grounds.

(2) Where any application is made under paragraph (1) by a person other than the proprietor of the registered trade mark the registrar—

(a) shall send a copy of the application and the statement, together with any evidence filed, to the proprietor; and

(b) may give such direction with regard to the filing of subsequent evidence and upon such terms as the registrar thinks fit.”

10. In accordance with Rule 44, the application for rectification was served on the proprietor. The proprietor filed a counterstatement denying the grounds for rectification. I pause here to note that the counterstatement included what turned out to be a decisive claim; namely, that:

“The registration was assigned from Steven Dale Limited to the Proprietor, Steven Derek Dale, on 28 December 2015. At that time, Mr Dale was the sole director of Steven Dale Limited.”

A copy of the assignment document was attached.

11. The reason this was important was because the applicant claimed to have secured title to the trade mark from the Crown as *bona vacantia* property following the dissolution of Steven Dale Limited on 5th January 2016. However, if the assignment of 28th December was effective, the company did not own the trade mark at the date of dissolution and, therefore, it could not have become *bona vacantia*.

12. The applicant subsequently filed two statements dated 31st August 2023 and 3rd October 2023 in support of the application for rectification.

13. On 5th October 2023, the proprietor requested an extension of time to file evidence in defence of the application for rectification. This led to correspondence between the Office and the parties about the requested extension, whether the veracity and

authenticity of the assignment document dated 28th December 2015 was challenged (it was not), the procedural hearing on 12th January, and the rejection of the application.

14. Apart from Mr Dale’s alleged status as a bankruptee, the applicant says it should not have to pay any costs because the proprietor included matters in its counterstatement that were not relevant and confused things. However, in my view, the applicant is at least as responsible for raising matters which are irrelevant to the application for rectification, such as which party is actually using the trade mark.

15. Section 68 of the Act and Rule 67 of the Rules give the registrar a wide discretion to award costs. As Anthony Watson Q.C. stated in *Rizla Ltd.’s Application*¹ when considering a very similar provision under the Patents Act 1977:

“The wording of section 107 could not in my view be clearer and confers on the Comptroller a very wide discretion with no fetter other than the overriding one that he must act judicially.”

16. The registrar normally awards costs based on a published scale.² The scale aims to award costs on a contributory rather than a compensatory basis. This is because the registrar operates an accessible low-cost tribunal with predictable costs.

17. The relevant parts of the current scale are shown below:

Task	Cost
Preparing a statement and considering the other side’s statement:	From £250 to £650 depending on the nature of the statements, for example their complexity and relevance.
Preparing evidence and considering and commenting on the other side’s evidence:	From £600 if the evidence is light to £2600 if the evidence is substantial. The award could go above this range in exceptionally large cases but will be cut down if the successful party had filed a significant amount of unnecessary evidence.

¹ [1993] RPC 365 at 377

² See paragraphs 5.3 and 5.6 of the Trade Marks Work Manual on the IPO website

18. I find that the proprietor is entitled to an award of costs. I assess this as follows:

£250 for considering the applicant's application and filing a counterstatement;

£200 for considering the applicant's evidence;

£100 for preparing for and taking part in the procedural hearing on 12th January 2024.

19. I therefore order Crossbill Distilling Ltd to pay Steven Dale the sum of £550. This sum must be paid within 21 days of the end of the period allowed for appeal against this decision on costs.

Dated this 5th day of March 2024

Allan James

For the Registrar