TRADE MARKS ACT 1994

IN THE MATTER OF:

REVOCATION/INVALIDITY APPLICATION No 10921

IN THE NAME OF VFM CHILDREN'S ENTERTAINMENT LTD

IN RESPECT OF TRADE MARK No 1,521,388

REGISTERED IN THE NAME OF TABAK MARKETING LTD

DECISION

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1. In a written decision issued on 30th May 2001 Mr G J Attfield acting as hearing officer for the Registrar of Trade Marks refused to allow VFM Children's Entertainment Ltd (***"VFM"***) an extension of time within which to file evidence in reply in proceedings for revocation/invalidity which it had commenced on 18th June 1999 in respect of Trade Mark No. 1,521,388 registered in the name of Tabak Marketing Ltd (***"Tabak"***).

2. VFM gave notice of appeal to an Appointed Person under Section 76 of the Trade Marks Act 1994.

3. The appeal was listed for hearing before me on Wednesday, 31st October 2001 at 10.30 a.m.

4. On 29th October 2001 I received a letter from VFM's trade mark attorneys stating that the appeal "*has been withdrawn*".

5. On 18th March 2002 I was informed by the Treasury Solicitor's Department that Tabak had applied for an award of costs in respect of the abandoned appeal. The application had initially been made to the Registrar. It was referred to me on the basis that I retained the power to award costs in respect of the abandoned appeal in accordance with the provisions of Rules 60 and 65(2) of the Trade Marks Rules 2000.

6. In a letter dated 28th March 2002, VFM's trade mark attorneys accepted that Tabak "*could in the circumstances properly ask for and be given some award of costs arising from the lodging of the Appeal and its subsequent withdrawal*". They maintained that any such award should be minimal.

7. I am satisfied that the power to award costs under the Rules applicable to appeals to the Appointed Person is exercisable in relation to appeals which do not proceed to a determination upon their merits cf Brawley v Marczynski [2002] EWCA Civ 756 (8th May 2002); Associated Newspapers Ltd v.Impact Ltd [2002] FSR 18, p. 293.

8. The abandonment of an appeal is indistinguishable from a dismissal of the appeal by consent. It should normally be regarded as a reason for making an appropriate award of costs in favour of the respondent to the abandoned appeal. I see no reason to depart from that approach in the present case.

9. At my request, Tabak's trade mark attorneys provided an itemised summary of the work covered by their claim for costs. This contained a short narrative statement of events and the following breakdown of time and costs:

August 2001

Study by a Partner of the firm of the extensive 10 page Statement of Grounds for Appeal, and reporting same to the Registered Proprietor – 2½ hrs.

24-26 October 2001

Begin preparation of Skeleton Argument and research and preparation for the submissions to be made at the Appeal Hearing in the following week - 2½ hrs.

Total: 5 hours @ current Partners' charging rate £240 per hour = £1200.

10. VFM was given the opportunity to make representations in relation to the information provided in support of the application for costs.

11. It objected to the claim for 2½ hrs work in August 2001 on the basis that this was longer than ought to have been required for considering and reporting on the Statement of Grounds for Appeal. It also objected to a charging rate of £240 per hour on the basis that this was approximately twice the hourly charging rate for the work undertaken by VFM's professional advisers. Finally it referred to the fact that it had been awarded only £300 by the Registrar's hearing officer when it ultimately succeeded in obtaining a declaration of invalidity in respect of Tabak's Registered Trade Mark No. 1,521,388 in April 2002.

12. It seems to me that there is substance in the first of the three points made by VFM. I think there is rather less substance in the second of the three points. I do not think there is any real substance in the third point. Upon reading the hearing officer's decision dated 19th April 2002 it is apparent

that the award of costs was restricted to £300 for the following special reasons:

> "56. As the application for revocation is successful under Section 47(1) of the Act by virtue of Section 3(1)(b) and (c) of the Act I have no need to go on and consider the other grounds raised.
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> 57. In accordance with Section 47(6) of the Act, the registration will be declared invalid and deemed never to have been made.
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> 58. The applicants are entitled to a contribution towards their costs. I order the registered proprietors to pay them the sum of £300 being the filing fee in respect of this action, as the evidence filed in this case is duplicated within the invalidation action numbered 12174 (heard on the same day) and the costs in relation to this evidence have been taken into account in the award made in those proceedings…"

13. It is normal in appeals under Section 76 for the Appointed Persons to draw upon the long-established practice in Registry proceedings of using published scale figures as norms to be applied or departed from with greater or lesser willingness according to the nature and circumstances of the given case.

14. This adds a further dimension of proportionality to the assessment of costs in appeals of the kind I am now considering.

15. If the abandoned appeal had proceeded to a hearing, I would probably not have directed the unsuccessful party to contribute more than about £700 to the costs of the successful party.

16. Treating Tabak as the successful party for present purposes, I consider that a proportionate sum to award in relation to the task of resisting VFM's appeal during the period in which it remained on foot would be £400.

17. That is the sum which I direct VFM to pay Tabak as a contribution towards its costs of the abandoned appeal.

18. For completeness I record that it was agreed that I should issue my decision on costs without recourse to a hearing.

Geoffrey Hobbs QC

12th June 2002

Tabak was represented by Messrs F J Cleveland

VFM was represented by Messrs Sanderson & Co.