# **TRADE MARKS ACT 1994**

IN THE MATTER OF APPLICATION No. 2222400 BY MANCHESTER UNITED PLC TO REGISTER THE TRADE MARK KEANO IN CLASSES 6, 16, 25 & 28

# **AND**

IN THE MATTER OF OPPOSITION No. 80531 BY SURINDER PAUL SINGH BHAURA T/A ESPRIO KNITTING CO

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IN THE MATTER OF Opposition No. 80531 by Surinder Paul Singh Bhaura t/a Esprio Knitting Co

### **Background**

1. On 16 February 2000 Manchester United Plc applied to register the mark KEANO for the following goods:

#### **Class 06:**

Badges (for vehicles) and bars for use therewith; keys, key blanks; key rings and key chains; locks and ornaments, all included in Class 6; all made of common metal and their alloys.

# **Class 16:**

Printed matter; newspapers, periodical publications; books; photographs; programme binders; stationery; instructional and teaching materials; ordinary playing cards; birthday cards; postcards, notepads, photograph albums; address books; jotters, pens, pencils, erasers, pencil sharpeners, rulers, book markers; posters; calendars, gift bags, gift wrap, pen cases, envelopes, labels, blackboards, height charts, carrier bags; prints; pictures; poster magazines; book markers; diaries; pads of paper; all included in Class 16.

### **Class 25:**

Football jerseys, football shorts, tracksuits, football boots, football trainers, T-shirts and sweatshirts.

#### **Class 28:**

Games (other than playing cards), toys, party novelty hats, shin guards, gloves (games), balloons, sporting articles (other than clothing), and play balls; footballs; teddy bears.

- 2. The application is numbered 2222400.
- 3. On 9 January 2002 Surinder Paul Singh Bhaura t/a Esprio Knitting Co filed notice of opposition to this application.

- 4. The opponent is the proprietor of UK Registration No 1462534, KEENO, for "knitwear included in Class 25; but not including babies napkins". The opponent says that the respective marks are phonetically identical and identical or similar on visual and conceptual grounds and cover similar goods. Accordingly, it is said that there is a likelihood of confusion within the meaning of Section 5(2)(b).
- 5. The opponent also claims to have used the mark KEENO since at least 1991 and to possess a reputation in particular for knitwear. On the basis of this use and reputation further grounds are said to arise under Section 5(3) and 5(4)(a).
- 6. I note also that the statement of grounds suggests that the application may have been accepted in error by the Registry on the basis that the applicants sought but failed to obtain consent from the opponent. Furthermore it is suggested that the requirement for consent was "waived in error by the Registry" and this factor should be taken into account in determining costs.
- 7. The applicants filed a counterstatement denying the above grounds. In particular they deny that the marks are similar. They too seek an award of costs and dispute the opponent's entitlement to an award based on the circumstances described above. Both sides filed evidence. The matter came to be heard on 1 October 2003 when the applicants were represented by Mr M Chacksfield of Counsel instructed by William A Shepherd & Son Limited and the opponent by Mr S Malynicz of Counsel instructed by Marks & Clerk.

# **Opponent's Evidence**

- 8. Surinder Paul Singh Bhaura filed a statutory declaration dated 8 May 2002. He is a partner of, and trades as, Esprio Knitting Co.
- 9. He says that he first started using the trade mark KEENO in 1989. He exhibits (SB1) invoices from label manufacturers from 1989 onwards in support of this claim. The mark has been used in relation to knitwear for women, men and children and use has been made of it in a number of major towns and cities throughout the UK. A selection of copy invoices is exhibited at SB1a. The trade mark KEENO is said to constitute approximately 85% of the trading activity of the business. The mark is affixed to the goods by means of swing tickets and/or neck labels (Exhibit SB2). The majority of sales are to wholesalers who then resell to retailers. However, a proportion is sold direct to retailers.
- 10. Mr Bhaura says he does not normally publicise or advertise his goods. Instead business is conducted by word of mouth and reputation. Turnover figures are given as follows:

YEAR	TURNOVER	
19/1/89 to April 1990	£ 440,000	
1991	£ 778,000	
1992	£ 937,000	
1993	£ 883,000	
1994	£1,410,000	

1995	£1,680,000
1996	£1,820,628
1997	£2,551,562
1998	£2,061,537
1999	£1,838,983
2000	£1,099,183
2001	£1,172,975
2002	£2,130,737

### 11. He adds that:

"It should be pointed out that my business and my trade mark are essentially interchangeable as far as my business's customers are concerned. Consequently any orders placed with my business will only be for goods bearing the trade mark. Therefore the trade mark is not always recited by customers on order forms relating to goods bearing the trade mark."

12. Mr Bhaura goes on to say that his business regularly gives away promotional items/gifts bearing the trade mark to wholesalers/retailers. The items and years of first distribution are said to be as follows:

YEAR	NATURE OF PROMOTIONAL ITEM
1990	Wall planners
1994	Calculators/calendars
1994	Letter Openers
1994	Clocks

- 13. Exhibit SB3 contains photocopies of examples of such promotional items. In further support of this Mr Bhaura exhibits (SB4) samples of invoices from the manufacturers of these items. The business has also paid for an entry in the British Clothing Industry Year Book invoices relating to the 1990 and 1991/2 year books are exhibited at SB5. The goods have also been exhibited by wholesalers at industry trade fairs.
- 14. Mr Bhaura notes that the applicants are based in Manchester and points out that two of his wholesale customers (Paul Brothers and J R Hosiery) are also based in the city. He suggests that this increases the risk of confusion.
- 15. The remainder of Mr Bhaura's declaration is mainly submissions which I note and will take account of in coming to my own view of the matter below. I should, however, record his view that "the goods of my business are identical to a number of items covered by the opposed marks (football jerseys, t-shirts and sweatshirts all being capable of being made of a knitted fabric and/or being in the nature of knitwear, as well as being of a unisex nature and most likely aimed at both adults and children, as well as being worn on the top half of the body in the same way as knitwear, in general almost always exclusively is) or my goods are similar to the goods of the opposed mark, being in the nature of articles of clothing worn as body apparel."

# **Applicants' Evidence**

- 16. The applicants have filed a witness statement by David Beswitherick, the Company Secretary of Manchester United Plc.
- 17. He explains that the applicants, through their merchandising operation Manchester United Merchandising Limited, have for many years promoted the merchandise and wares of the football club and the players. In this context KEANO is the penned name/nickname of the present captain, Roy Keane. Mr Beswitherick says that all merchandise relates to Manchester United Football Club and would be associated with club indicia (the name, crest, initials MUFC or other club indicators). The mark KEANO would be no exception to this practice. The specification of the application in the amended form in which it appears at the start of this decision reflects the applicants' effort to avoid a conflict with the goods of the earlier trade mark. Mr Beswitherick suggests that the opponent's goods (by reference to Exhibit SB1a) are 'cardigans, tops (fringed), zip cardigans, waistcoats, v-neck tops, jumpers, long coats, tunics' and that such items would not be confused with the goods applied for. The remainder of the witness statement is largely a commentary on certain aspects of Mr Bhaura's declaration. He also reiterates that the mark applied for would be promoted in association with other Manchester United Football Club indicia.

# **Opponent's Evidence in Reply**

- 18. The opponent filed witness statements by Surinder Paul Singh Bhaura and Philip Shelton. Much of Mr Bhaura's statement is by way of submissions and commentary on Mr Beswitherick's evidence. I will deal with this as necessary in my decision below. He also exhibits (SAB6) dictionary and website evidence intended to show that the term 'knitwear' is capable of broad interpretation along with material to confirm the existence of the two Manchester based wholesalers referred to in his previous declaration.
- 19. Mr Shelton is employed as a knitting machine mechanic by the Esprio Knitting Co. He has been involved in the knitwear industry since 1986. He exhibits:
  - PS1 a copy of his City & Guilds of London certificate demonstrating his skill and competency;
  - PS2 an extract from the Textile Institutes' Textile Terms and Definitions defining knitwear as "a term applied in the generic sense to all knitted outer garments except stockings and socks";
  - PS3 a depiction of the appearance of knitted fabric from the above mentioned publication intended to show that the applicants' goods could all be made from knitted fabric such as cotton, polyester etc which is all material that is knitted in order to form it into a fabric:
  - PS4 further pages from the same publication showing that jersey fabric is "a generic term applied to knitted piece goods" and that polyester fibre can be knitted to form a fabric;

- PS6 to 9 examples of goods purchased from the applicants' shop (a polo shirt, a college t-shirt, a child's long sleeve jersey and a zip through fleece) which Mr Shelton says are in the nature of knitted outer garments.
- 20. Mr Shelton concludes that football jerseys, football shorts, tracksuits, t-shirts and sweat shirts are in the nature of knitwear and, in his view, confusable with the opponent's goods.
- 21. That completes my review of the evidence.
- 22. The Section 5(3) ground was not pursued at the hearing and Section 5(4)(a) was restricted to a relatively narrow point. By common consent the Section 5(2) case is likely to be determinative of the matter.
- 23. Section 5(2) reads as follows:
  - "(2) A trade mark shall not be registered if because -
  - (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or
  - (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

Sub paragraph (b) applies here.

24. There is now well established guidance from the ECJ on the approach to be adopted in dealing with these provisions (and their equivalents in the Directive). It is to be found in *Sabel BV v Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117 and *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77.

# **Comparison of marks**

25. The marks in issue are KEANO (applicants') and KEENO (opponent's). There is evidence of use of the opponent's mark. Use is a matter that can be factored into my appraisal of the distinctive character of the mark and the issue of likelihood of confusion (*Sabel v Puma*, paragraph 24). I take as my starting point that the opponent's mark is an invented word and carries no allusion to the goods (knitwear) or any particular characteristic of such goods. That seems to me to give it a reasonably high degree of distinctive character basing my consideration purely on the inherent characteristics of the mark. I have recorded above the information given by Mr Bhaura on use of his mark. It appears to be a long established and settled trade. However, whilst the turnover figures suggest a significant level of trade they tell me

little about the reputation of the mark within the industry. In *DUONEBS Trade Mark*, BL O/048/01, Mr S Thorley QC, sitting as the Appointed Person, in dealing with the question of the reputation attaching to a mark said:

"In my judgment, I believe what the ECJ had in mind was the sort of mark which by reason of extensive trade had become something of a household name so that the propensity of the public to associate other less similar marks with that mark would be enhanced. I do not believe that ECJ was seeking to introduce into every comparison required by Section 5(2), a consideration of the reputation of a particular existing trade mark."

- 26. There is insufficient information here to enable me to conclude that the mark KEENO comes anywhere near the household name test referred to by Mr Thorley. The distinctive character of the mark, therefore, rests on its inherent qualities.
- 27. Turning to the normal comparison of the visual, aural and conceptual similarities, it is clear that these marks are very close indeed. They differ by one letter only and that of a vowel in the middle of the words. Visually they are almost as close as it is possible to be without being identical. Phonetically, my initial reaction is to say that the marks are identical. Mr Chacksfield conceded in his skeleton argument that on visual and aural accounts the marks were quite similar. He qualified that position somewhat at the hearing by suggesting that other possible pronunciations of his clients' mark might be possible by analogy with the pronunciation of the Christian name of the actor Keanu Reeves. I find this implausible. The average consumer does not generally seek to overcomplicate pronunciation. Moreover, on the applicants' own evidence the mark is the nickname of the player Roy Keane and would be pronounced consistently with that fact. I remain of the view that the marks are phonetically identical.
- 28. The main plank of Mr Chacksfield's argument was that the marks are conceptually distinct with KEENO being suggestive of someone who is keen to do things and KEANO referring to the footballer. The first of these suggestions seems to me to be somewhat fanciful even if it should not be discounted entirely. The second is of rather greater force but is largely dependent on context ie. association with and/or sale by or through the football club. These are marketing circumstances which are external to the trade mark application. I am unpersuaded by the distinction that is sought to be drawn on conceptual grounds. Furthermore, as I indicated at the hearing, it is generally accepted that, where clothing is concerned, visual considerations tend to be dominant though oral ordering/recommendations must also be allowed for (see *REACT Trade Mark* [1999] RPC 529 and, on appeal, [2000] RPC 285). In summary I find a very high degree of similarity between the marks.

# Similarity of goods

29. The focus of the opposition is on the applicants' Class 25 goods. There were detailed submissions at the hearing on the issue of similarity. My understanding is that the applicants initially sought but failed to obtain consent. Subsequently they elected to reduce their previously broader range of clothing items to the specific ones now listed in the hope that this might dispose of the opponent's objections. I mention

the above largely by way of background as it can have no direct impact on my decision in the inter partes action.

30. For convenience the respective specifications are:

# **Applicants**

#### **Class 06:**

Badges (for vehicles) and bars for use therewith; keys, key blanks; key rings and key chains; locks and ornaments, all included in Class 6; all made of common metal and their alloys.

#### **Class 16:**

Printed matter; newspapers, periodical publications; books; photographs; programme binders; stationery; instructional and teaching materials; ordinary playing cards; birthday cards; postcards, notepads, photograph albums; address books; jotters, pens, pencils, erasers, pencil sharpeners, rulers, book markers; posters; calendars, gift bags, gift wrap, pen cases, envelopes, labels, blackboards, height charts, carrier bags; prints; pictures; poster magazines; book markers; diaries; pads of paper; all included in Class 16.

#### **Class 25:**

Football jerseys, football shorts, tracksuits, football boots, football trainers, T-shirts and sweatshirts.

#### **Class 28:**

Games (other than playing cards), toys, party novelty hats, shin guards, gloves (games), balloons, sporting articles (other than clothing), and play balls; footballs; teddy bears.

31. Before coming onto the substantive considerations, which turn on the breadth of meaning to be ascribed to the term knitwear, I must deal with Mr Chacksfield's claim that part of the opponent's evidence, particularly Mr Shelton's evidence, should be ruled inadmissible. Mr Shelton gives expert evidence on the meaning and scope of the term knitwear. By reference to *STEP v Emson* [1993] RPC 513 (a patent case) and a passage from Terrell on the Law of Patents he sought to persuade me that the matter of construction of a term in a specification is a matter for the tribunal, particularly where a non-technical word such as knitwear is concerned. I should,

# **Opponent**

Knitwear included in Class 25; but not including babies napkins.

therefore, approach the matter on the basis of what the trade and consumers would understand by the term and not what technical dictionaries or technically knowledgeable experts might consider the words to mean.

- 32. Mr Malynicz, for the opponent, referred me to Kerly's Law of Trade Marks, Thirteenth edition, at 16-91 to 16-99 (Expert and trade evidence admissibility) in submitting that it is permissible for experts to inform the tribunal on the circumstances of the trade.
- 33. I do not think it is necessarily helpful to be guided by observations on the position in relation to patents where the particular considerations will be quite different. I, nevertheless, accept Mr Chacksfield's submission that it is not open to the tribunal to delegate the task of construing terms in specifications to dictionaries or technical experts. In *British Sugar Plc v James Robertson & Sons Ltd* (TREAT) [1996] RPC 281 Mr Justice Jacob (as he then was) said:

"When it comes to construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade. After all, a trade mark specification is concerned with use in trade."

- 34. In the case before me the opponent's trade is mainly with wholesalers but with some goods going directly to retailers. It is necessary, therefore, to have regard not just to the end consumer but those other links in the distribution chain whose knowledge and understanding of terms may be subtly different. I do not consider expert evidence should be ruled inadmissible if or to the extent that it can assist me in this respect. It is a question of weight rather than admissibility.
- 35. In approaching the matter I also bear in mind the following passage from *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd* and *Another* [2000] FSR 267:

"I should add that I see no reason to give the word "cosmetics" and "toilet preparations" or any other word found in Schedule 4 to the Trade Mark Regulations 1994 anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context. In particular, I see no reason to give the words an unnaturally narrow meaning simply because registration under the 1994 Act bestows a monopoly on the proprietor."

- 36. I am thus required to give full effect to the opponent's specification having regard to what the term knitwear would be taken to mean in trade.
- 37. The ECJ's guidance in the *CANON* case was as follows:
  - "23. In assessing the similarity of the goods or services concerned, as the French and United Kingdom Government and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature,

their end users and their method of use and whether they are in competition with each other or are complementary".

- 38. In *British Sugar Plc v James Robertson & Sons Ltd* (Treat), [1996] RPC 281 Mr Justice Jacob also considered that channels of trade should be brought into the reckoning.
- 39. Mr Malynicz's position was that the respective specifications covered identical or similar goods. Identity is said to arise if I take the term knitwear to mean, in its broadest sense, knitted garments. He also referred me to the approach adopted in H Young (Operations) Ltd and Medici Ltd, [2003] EWHC 1589 (Ch) where Jacob J was not supportive of an attempt to partition the clothing market. This was a revocation action where the issue was how to arrive at a fair description of the goods on which use had been shown. It raises a somewhat different issue to the interpretation of a term in a specification and whether other goods are identical or come within the penumbra of protection afforded by the term 'similar'.
- 40. Mr Chacksfield conceded that it was hard to define the exact parameters of the term 'knitwear' but suggested that the average consumer (for this purpose I think he mainly had in mind the end consumer) would understand the term to mean things like Arran sweaters and chunky woollen cardigans. No doubt this last point is correct. They are the most obvious sorts of items covered by the term. But being the best known or typical examples of knitwear does not mean that such items represent the full natural extent of the term. I see no reason why it should not be held to include knitted clothing at large and include both hand knitted and machine knitted items. The latter, in particular, may not be of the 'chunky' woollen sweaters kind but involve much finer processes and a range of materials such as cotton or polyester.
- 41. To the extent that I need to consider Mr Shelton's evidence I do not consider the above view to be inconsistent with anything he says. Moreover there is support for the construction I place on the term knitwear in the evidence filed by the opponent (Exhibits PS 6 to 9) but obtained from the applicants' on-line shop. Orders were placed for four items (a polo shirt, T-shirt, a rugby shirt and a fleece) and were fulfilled by a company called Sportsetail Ltd. The invoice referred to the latter two items as 'knitted cotton rugby shirt' and 'knitted cotton baseball zip thru'. Mr Chacksfield offered a spirited defence of the applicants' position by suggesting that invoices were essentially technical documents and not necessarily representative of how consumers would refer to such items. The latter may or may not be the case but it suggests the trade refers to such items as being knitted and does so in a manner that finds its way through to customers. Customers are thus likely to be educated to such usage.
- 42. In the end, I think it came down to this, that Mr Chacksfield conceded that certain items in the applicants' specification (football shorts, tracksuits and sweatshirts) showed a small degree of similarity with knitwear; a second group (football jerseys and T-shirts) had a somewhat higher degree of similarity; and the balance of the specification (football boots and football trainers) had no similarity.
- 43. In my view that understates the position in certain respects. As this case does not involve a Section 5(1) issue it is not necessary for me to reach a concluded view on

whether identical or simply similar goods are involved. Even if it would be going too far to conclude the former it seems to me that, with the exception of the footwear items, quite closely similar goods are involved (perhaps to a slightly lesser degree in the case of football shorts). In reaching that view I also bear in mind that the distinction between sports clothing and casual clothing is now a somewhat artificial one. I note, for instance, that in the Young and Medici case Mr Justice Jacob in his scene setting observations on the claimants' business offered the view that

"One does not need evidence to know that, for instance "Fred Perry" garments, although originally specifically for tennis are now common casual wear. Indeed sportswear, or names associated with sports, is often now just part of the clothes of people you see every day in the street."

44. There remains the footwear items. As I understand it the opponent maintains his objection to these items. Trainers, in particular, are said to be simply casual footwear and share many of the CANON points of similarity (users, channels of trade etc). At a high level of generality that is no doubt true but, on the whole, footwear (or at least football boots and football trainers) seems to me to be a somewhat different trade and such goods will usually have their own display areas within stores or be sold in specialist shops. If there is similarity with knitwear (because all such goods can loosely be described as clothing) it is very much at the outer reaches of the term.

#### Likelihood of confusion

- 45. This is a matter of global appreciation taking all relevant factors into account (*Sabel v Puma*, paragraph 22). Mr Chacksfield, correctly in my view, did not pursue the submission that emerges in the applicants' evidence that their mark would be used with other Manchester United indicia or in contexts which would reduce or eliminate the likelihood of confusion. As I have said above these are circumstances of marketing which are external to the mark and specification as filed.
- 46. I can deal with the issue of likelihood of confusion very shortly. The marks are very closely similar. The goods (footwear items apart) are also similar to a high degree and on a broad interpretation of the opponent's specification may even be identical. I have little hesitation in saying that there would be a likelihood of confusion if the applied for mark were to be used in a notional normal and fair manner in relation to 'football jerseys, football shorts, tracksuits, T-shirts and sweatshirts'. I am not persuaded that the same can be said in relation to football boots and football trainers. The opposition succeeds, therefore, to a limited extent in relation to part of the Class 25 specification. The balance of the Class 25 specification and the other three Classes are free from objection.
- 47. In the light of the above I do not propose to give detailed separate consideration to the opponent's case under Section 5(4)(a) based on the law of passing-off. The opponent's evidence goes to substantiating a trade that is contained within, and reflected by, the specification of their earlier trade mark. If, or to the extent that, the invoices relate to goods outside the area of knitwear (some of the references are not clear) they are unlikely to produce a materially different outcome to that under Section 5(2)(b).

48. The application will be allowed to proceed if, within 28 days of the expiry of the appeal period, the applicants file a Form TM21 restricting their specification in accordance with my above decision. If they do not do so the application will be refused in its entirety.

### **Costs**

- 49. As noted at the start of this decision the opponent's statement of grounds suggested that "the requirement for consent having been waived in error by the Registry amplifies the entitlement of the opponent to be reimbursed for the cost of the opposition". My understanding is that the Registry's examiner raised the opponent's earlier trade mark as a citation but eventually allowed the application to proceed to publication on the basis of a reduction of the Class 25 specification to its current form. Whatever the merits of the examiner's decision (taken, of course, without the benefit of evidence and submissions) I do not accept that it should be held against the applicants in cost terms in this inter partes action. Mr Malynicz, rightly in my view, did not pursue the point at the hearing.
- 50. An issue of rather greater substance arises as a result of the opponent's decision not to pursue the Section 5(3) ground and, in effect, to restrict the opposition to one against the Class 25 goods only. Mr Chacksfield referred me to paragraph 9 of Tribunal Practice Notice TPN2/2000 (Costs in proceedings before the Comptroller) where it is indicated that "costs associated with evidence filed in respect of grounds which are in the event not pursued at the main or substantive hearing might lead to an award which departs from the scale". He also referred me to 44.3(4) of the Civil Procedure Rules and *Summit Property Ltd v Pitmans*, a Court of Appeal case dealing with an 'issue by issue' approach to an award of costs.
- 51. This opposition was launched on the basis of three grounds (Sections 5(2)(b), 5(3) and 5(4)(a)) and with the request that the application be refused. In the absence of a more focussed request the latter represented an attack against the whole application, a point that was further emphasised in Mr Bhaura's first declaration (paragraph 13 thereof).
- 52. Mr Malynicz's position was that, whilst the opposition had been lodged against the application as a whole, it had never been suggested that the Section 5(2) ground was being pursued against goods other than those in Class 25 (a position that he conceded would have been untenable). So far as the balance of the applicants' specification was concerned they were dissimilar goods and the objection fell away once the Section 5(3) ground was given up. That may well represent an accurate reflection of the opponent's position but the statement of grounds did not clarify with any measure of precision what goods were considered to be similar and what were not.
- 53. The opponent's decision not to pursue the Section 5(3) ground was taken very late in the day and appears not to have been communicated to the applicants prior to Counsels' exchange of skeleton arguments. Nevertheless parties should not be discouraged from giving up grounds that they no longer see merit in pursuing (even at a late stage) or, to put the matter another way, they should not be motivated to pursue grounds on which they consider they are unlikely to succeed simply to avoid a costs

penalty as a result of late withdrawal. Equally, in assessing a costs award, it is right to make allowance for unnecessary work incurred by the applicants in dealing with the ground that is no longer being pursued. In this particular case Mr Chacksfield dealt with the Section 5(3) objection in his skeleton argument, a task that would have necessitated some additional work but not, in my view, an onerous amount in all the circumstances of the case. Beyond that, the applicants do not seem to me to have been involved in significant additional costs or effort in addressing the Section 5(3) ground in either their counterstatement or evidence (and Mr Chacksfield had no specific information from his instructing attorneys on the time and effort involved). Indeed, the whole thrust of the evidence on both sides has been directed at the issues surrounding Class 25.

54. In summary, therefore, the relevant considerations in arriving at a view on costs seem to me, therefore, to be the extent of the opponent's success in relation to the issue at the heart of the dispute; the late withdrawal of the Section 5(3) objection; the fact that the opposition against other Classes was not pursued; the fact that the applicants were not particularly inconvenienced in defending the balance of their specification; but that nevertheless Mr Chacksfield was obliged to deal with the Section 5(3) position in his skeleton. Making the best I can of these conflicting considerations I do not propose to favour either side with an award of costs.

Dated this 17<sup>th</sup> day of October 2003

M REYNOLDS For the Registrar the Comptroller-General