

O-397-14

TRADE MARKS ACT 1994

**APPLICATION 2591722 BY LOFT FURNITURE LIMITED
TO REGISTER 'ROBIN DAY COLLECTION' IN CLASS 20**

AND

OPPOSITION 104306

BY THE ROBIN AND LUCIENNE DAY FOUNDATION

DECISION ON COSTS

1. On 18 August 2011, Loft Furniture Limited applied to register ROBIN DAY COLLECTION as a trade mark for furniture.
2. The application was opposed on 2 January 2013 by The Robin and Lucienne Day Foundation. The grounds of opposition were based on an earlier right in the sign ROBIN DAY. This was acquired as a result of the use since 1951 of the name of a designer called ROBIN DAY in relation to services for the design and production of furniture. The opponent claimed that Mr Day licensed certain of his designs to a company related to the applicant, but that the design licences had been repudiated because royalties were not paid. In any event, the opponent claimed that the applicant has no right to claim exclusive rights in the mark applied for and had acted in bad faith by doing so. This gave rise to objections that the application to register the mark was contrary to sections 3(3)(b), 3(6) & 5(4)(a) of the Trade Marks Act.
3. The applicant essentially denied these grounds.
4. Both sides filed evidence. The applicant filed two witness statements with 16 exhibits. The opponent's evidence in chief consisted of five witness statements with 61 exhibits. The opponent filed another four witness statements in reply to the applicant's evidence, with 20 further exhibits.
5. The applicant sought permission to file further evidence in support of its application, but this was refused in May 2014. A second application to file (different) additional evidence was also provisionally refused in early August 2014.
6. A hearing was due to take place on 18 August 2014. On 7 August the applicant withdrew its application.
7. On 12 August the opponent asked for costs to be awarded against the applicant off the published scale of costs. The applicant points out that Tribunal Practice Notice 2/2000 states that the Registrar will consider awarding costs closer to actual costs where a party behaves unreasonably. The opponent says that its actual costs are "*well into five figures*". One of the examples of unreasonable behaviour mentioned in the Practice Notice is where a party causes the other party to incur costs dealing with grounds that are not pursued. The opponent submits that, as none of the applicant's grounds were pursued at the hearing, the Registrar should award costs off the usual scale in this case.
8. The applicant denies that it has acted unreasonably. It claims to have sold furniture designed by Robin Day under the name ROBIN DAY COLLECTION for 11 years prior to the date of the opposed trade mark application and to have acquired goodwill under that sign. The applicant also submits that it prosecuted the

proceedings efficiently, without delaying tactics, and that it attempted to settle the matter through negotiations and mediation during the course of the proceedings. The applicant therefore submits that costs should be awarded on the basis of the usual scale.

9. The Registrar's authority to award costs is based on s.68 of the Act and Rule 67 of the Trade Mark Rules 2008.

Costs of proceedings; section 68

67. 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.

10. The Registrar normally awards costs on a contribution basis within the limits set out in the published scale. The latest version of the scale is included in Tribunal Practice Notice 4/2007. However, as this Notice indicates, the Registrar has the power to award reasonable costs on a different basis where the circumstances justify it. The courts have long recognised this: see *Rizla Ltd's Application* [1993] RPC 365. The Practice Notice recognises that unreasonable behaviour may justify costs on a compensatory basis. The Appointed Person follows a similar approach and sometimes awards costs on a compensatory basis: see, for example, *Ian Adams Trade Mark*, BL O-147-11.

11. As the applicant's representative points out, it would be not be logical to award higher costs in a situation where a party abandons its case before a hearing than where it continues with the hearing and argues its case unsuccessfully. The example of unreasonable behaviour from the Practice Notice relied on by the opponent must therefore be understood to refer to a situation in which one party causes another party to incur costs in defending a point in which the first party had no genuine belief.

12. I see little evidence that the applicant had no genuine belief in its case. Rather the background to the application suggests that the applicant thought it had proper reasons to register the mark but abandoned the application when the full strength of the opponent's case became clear as a result of the evidence it filed. This is not claimed to be a case where the application was withdrawn so close to the hearing date that the cost of the hearing had already been incurred.

13. I will therefore award costs on the usual scale.

14. I order Loft Furniture Limited to pay The Robin and Lucienne Day Foundation the sum of £3000. This is calculated as follows:

£700 for filing the notice of opposition and considering the applicant's counterstatement (including the £200 official fee for Form TM7).

£2000 for filing evidence and considering the applicant's evidence.
£300 for dealing with the applicant's rejected requests to file additional evidence.

15. Subject to an appeal, the above sum should be paid within 10 days of the end of the period allowed for appeal.

Dated this 9th Day of September 2014

**Allan James
For the Registrar**