

O-038-16

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO 2354659 IN THE NAME OF FITBUG
LIMITED IN RESPECT OF THE TRADE MARK**

FITBUG

IN CLASSES 9, 28 AND 41

**AND AN APPLICATION FOR A DECLARATION OF INVALIDITY THERETO
UNDER NO 500379 BY FITBIT, INC**

SUPPLEMENTARY DECISION ON COSTS

1) In my decision issued on 25 November 2015 under the BL number O/554/15, my comments on costs were as follows:

“40) The applicant has been totally unsuccessful and the proprietor is entitled to an award of costs. At the hearing, Mr Moss submitted that costs should be made above the normal scale of costs in respect of Mr Steven’s witness statement that ran to some 19 folders in total and a conservative estimate of about 4000 pages. Whilst I note Mr Roberts’s comments that it was filed to prove the proposition in dictionaries, that it was not in breach of any rules, and that it was not unreasonable because the proceedings are in the form of an invalidation action and that it would not be possible to re-run the case with more evidence later. I note this defence, but it is my view that none of these reasons justify the volume of evidence filed and I find that, in respect of this evidence, an award of costs above scale is appropriate.

41) In light of the above, I invite the proprietor to submit a schedule of costs in respect of the work undertaken to consider Mr Steven’s witness statement. All other aspects of the case can be dealt with based on the normal scale of costs and the schedule should relate only to the consideration of this evidence. I allow 21 days for the proprietor to submit the schedule of costs and a further 14 days for the applicant to make submissions regarding the schedule. I will then issue a supplementary decision making the award of costs.

42) The appeal period in respect of the substantive decision begins from the date of the main decision and a separate appeal period will apply to the supplementary decision.”

2) In accordance with my directions in paragraph 41 of that decision, the proprietor provided the requested schedule which can be summarised as follows:

Date	Action	Cost
October 2014	Reviewing Mr Steven’s statement and exhibits and reporting to client	£700
November 2014	Considering the same when preparing proprietor’s evidence	£300
September 2015	Review of the same evidence by Counsel	£800
September 2015	Addressing Mr Steven’s evidence in preparation of Counsel’s skeleton arguments for the hearing	£700
		£2,500

3) Submissions made on behalf of the applicant for invalidation make the following points:

- (i) It is unclear from my substantive decision whether I took into account that the proprietor was put to “strict proof” as to the meaning of “BUG” and the operation of estoppels in invalidation proceedings before the Registry;

- (ii) The applicant was compelled by the proprietor's stance of putting it to strict proof regarding the meaning of the word "BUG" in which it was relying upon the, to provide extensive evidence. It claims that if the proprietor had admitted the definition of "BUG", that was accepted by the Registrar, it would have negated the need to preparer the substantial evidence;
- (iii) The applicant may be stopped from making the same arguments in infringement proceedings and therefore, it was appropriate for the applicant to file such evidence;
- (iv) The proprietor's schedule of costs is inadequate and does not comply with the basic level of information required under the Civil Procedure Rules ("the CPR") the Registry's own Work Manual (Section 1.8) states that it adheres to the same overriding objective as the court, as set out in the CPR for dealing with cases justly. As a result, the applicant claims it cannot assess the reasonableness of the costs claimed and in particular:
 - a. How long was actually spent reviewing the evidence and whether the second entry related to any duplication of work;
 - b. The second entry relating to preparing the proprietor's evidence and submissions relates to work conducted in November 2014, but its submissions were filed in July 2014;
 - c. Whilst £700 is included in respect of Counsel's preparation for the hearing, the skeleton argument does not deal with the issue in any great depth and, consequently, it should be disregarded.

4) In respect of points (i), (ii) and (iii), I confirm that my decision on how to proceed regarding costs took into account the circumstances of the case and I referred to this in paragraph 40 of my decision. Further, I took account that the applicant was put to strict proof of the meaning of the words "FIT" and "BUG", but that also, they are ordinary dictionary words easily understood by consumers. In such circumstances I do not consider evidence running to some 4000 pages to be a proportionate reply to the request for strict proof.

5) The applicant also criticises the detail provided in the proprietor's schedule of costs. These criticisms have some merit, but the figures provided appear reasonable and it would not be proportionate to protract the issue further.

6) The proprietor's evidence consisted of a witness statement introducing evidence of use of its mark prepared for the purposes of the sister revocation proceedings (based on a claim of non-use). No additional work resulting from the applicant's evidence was necessary or provided. Consequently, the second item of costs relating to the preparation of the proprietor's evidence is disregarded.

7) The majority of the applicant's evidence went essentially to supporting the ordinary meanings of the words FIT and BUG. Counsel will have identified this following his original review of the evidence. However, I do not agree that it is not appropriate to award costs for Counsel's preparation of his skeleton argument. His submissions on the key issues in these proceedings and the parallel revocation proceedings are summarised in pages 8, 9 and 10 of his skeleton arguments with

the first of these three pages relating to the distinctive character of the proprietor's mark. In other words, one third of his submissions related to the same point at which the proprietor's evidence was targeted. I find it appropriate that the proprietor is awarded the costs associated with this.

8) In summary, the award of costs in favour of the proprietor, includes the actual costs claimed in the above schedule, except for the £300 claimed for work done in November 2014. Costs relating to all other aspects of the proceedings are based on the normal scale. Consequently, I award costs on the following basis:

Preparing statement and considering counterstatement	£300
Dealing with Mr Steven's evidence	£2,200
Preparing own evidence	£500
Preparing and attending hearing	£800
Total:	£3,800

9) I order FitBit, Inc to pay Fitbug Limited the sum of £3,800 which, in the absence of an appeal, should be paid within 14 days of the expiry of the appeal period.

Dated this 22ND day of January 2016

Mark Bryant
For the Registrar,