

O-097-17

TRADE MARKS ACT 1994

IN THE MATTER OF UK Trade Mark Application Nos 3011060 glo glu and 3018068
GLO GLU (device) in the name of Glofone UK Ltd

AND IN THE MATTER OF Consolidated Opposition Nos. OP401170 and OP401337
thereto by Glu Mobile Inc

DECISION

1. This was to have been an appeal brought by the Appellant/Opponent, Glu Mobile Inc., against the decision of the Registrar's Hearing Officer, Judi Pike, dated 9th July 2015.
2. A hearing had originally been fixed for 26 April 2016 but in a letter dated 18 April 2016 the parties jointly requested an adjournment to allow settlement negotiations to take place. In accordance with the practice in relation to such requests, I directed that the matter be stood out of the list of pending Appeals, with no date for hearing to be allocated to it unless and until either party or the Registrar expressly requested.
3. Having heard nothing more from the parties, on 21 November 2016 the Registry wrote asking for an update as to the progress of any negotiations. By letter dated 5 December the Respondent replied that there were no ongoing negotiations and stated "*Presumably, subject to any comment from the Opponent, the tribunal will now relist the Opponent's appeal.*" The Appellant also responded by letter of the same date and asked that the matter return to the Appointed Person.
4. A hearing was duly fixed for 28 February 2017 before me.
5. By letter dated 22 February 2017 the Appellant wrote to withdraw the appeal.
6. In a letter of the same date, counsel for the Respondent indicated that whilst the Respondent did not object to the forthcoming hearing being vacated, by analogy with CPD PD52A paragraph 6.1, it required that the appeal be dismissed rather than withdrawn and that its costs of the appeal should be paid.

7. In relation to the question of whether the appeal should be withdrawn or dismissed, CPR Part 52 is not directly applicable to proceedings before the Appointed Person. Accordingly I see no reason not to allow the usual practice before the Appointed Person to continue, which is to allow an Appellant to withdraw its appeal. The effect of withdrawal or dismissal is the same: the decision of the Hearing Officer is maintained.
8. As to costs, I directed that the parties provide brief further submissions. The Respondent submitted that as withdrawal was analogous to discontinuance, the Appellant should pay its costs of the appeal. As notice that the appeal was being withdrawn had been received only 4 working days before the hearing, the Respondent explained that work had been commenced in preparing the skeleton argument and irrecoverable costs incurred briefing Counsel for the hearing.
9. I accept this. Had the Appellant decided to withdraw its appeal sooner, then these costs could have been avoided. I therefore think the Respondent is in principle entitled to recoup some of its wasted costs of the appeal.
10. However the Respondent went further and submitted that its costs should be recoverable in full and not merely on the scale normally awarded in the Registry.
11. The Appellant resisted any award of off the scale costs and submitted that if costs were to be awarded against it, they should be limited to the usual scale. It pointed out that the general approach of the Registrar and the Appointed Person is that for “off-scale” costs to be awarded there needs to be demonstrated a level of conduct which is in some way unreasonable or an abuse of process (see by analogy *Rizla* [1993] RPC 365 at p. 377 lines 26-29).
12. Daniel Alexander QC sitting as the Appointed Person reviewed the various factors to be taken into account in considering whether to award off-scale costs in BL O/116/13 *ALLORO* at §§13-17 and concluded at §17:

“17. These include the conduct of the parties, the nature of the case and whether it is self-evidently without merit, whether there have been abuses of procedure, the extent to which offers made to settle the case were unreasonably rejected and could have resulted in costs being avoided. There is no rigid formula, although the paradigm case for off-scale costs will involve breaches of rules, delaying tactics or unreasonable behaviour”.
13. I do not think any of these factors apply here. The Respondent has not suggested that the appeal was groundless or brought in bad faith, and in any event I do not

consider that it would be a sensible use of the tribunal's resources to have to examine the merits of a withdrawn appeal in order to determine the scale of costs to be awarded. There is therefore no basis for thinking that had the appeal gone ahead and been dismissed, anything other than an award of scale costs would have been made. Further, there is no justification for putting the Opponent in a better position just because the Appellant did not go through with its appeal. On the contrary, parties are to be encouraged to resolve their disputes without a hearing if at all possible.

14. Accordingly, I decline to make an award of costs that is off the scale.
15. In coming to this conclusion I am comforted by the fact that *Rizla* concerned an analogous situation (the withdrawal of proceedings one week before the scheduled Hearing) but scale costs were awarded. A similar situation arose in BL O/432/12 ASOS where Anna Carboni sitting as the Appointed Person held that lateness of withdrawal alone did not justify an off-scale award (paragraph 25).
16. As to the amount to be awarded, the Respondent will have had to consider the (lengthy) Grounds of Appeal as well as made preparations to serve the skeleton argument and for attendance at the hearing as referred to above. I am informed that the actual costs incurred amount to some £1400 plus VAT, broken down into £900 solicitors' and £500 Counsel fees. On the other hand, I also take into account the Respondent's unsuccessful application for costs off the scale.
17. Taking all these issues into account and using the current applicable scale, I award the Respondent £300 for consideration of the Grounds of Appeal and £400 for preparation for the hearing which did not take place, in addition to the £785 which the Hearing Officer awarded in respect of the proceedings below.
18. Accordingly I order that the Appellant pay to the Respondent £1485 in relation to the proceedings below and the withdrawn appeal within 21 days of the date of this decision.

Thomas Mitcheson QC
The Appointed Person

The Appellant was represented by Philip Harris of Lane IP.

The Respondent was represented by Simon Bradshaw instructed by Burley Law.

The Registrar took no part in the Appeal.