

O/529/19

TRADE MARKS ACT 1994

TRADE MARK REGISTRATIONS 2554880

IN THE NAME OF TOTALLY OUTSOURCED LIMITED

AND

APPLICATION 84802 BY STEVEN WORBEY

FOR THE RECTIFICATION OF THE REGISTER

Background and pleadings

1. On 15th August 2019 I issued a decision on behalf of the registrar in which I:

- (i) Directed that the name of the trade mark proprietor should be corrected to 'Benderapp.com, a partnership composed of Steven Worbey, Kevin Farrell and Steven Elliott';
- (ii) Rejected an application to correct the name of the proprietor to Mr Worbey or Messrs Worbey, Farrell and Elliott as joint proprietors;
- (iii) Indicated an intention to remove the trade mark from the register as *redundant matter* on the basis that the originally named applicant for registration never existed and the resulting registration is therefore a nullity.

2. I gave the parties 21 days to provide written submissions on costs. They duly did so.

3. Totally Outsourced Limited ("TOL") submits that it should be awarded costs even though Mr Worbey's rectification application succeeded in reversing the change of name filed on behalf of Mr Elliott in 2011 (and the recordal of subsequent assignments of the trade mark). TOL points out the application to correct the register to show Mr Worbey, or Messrs Worbey, Farrell and Elliott, as the proprietor or joint proprietors of the trade mark, was rejected. According to TOL, it was this part of the rectification application that created the vast majority of the work involved in the case. Additionally, TOL points out the identified error in the register was partly the result of the procedural errors made by the IPO mentioned in my previous decision. Therefore, TOL submits that it should not be held accountable for the work involved in the correction of the original error.

4. Mr Worbey submits that he should be entitled to an award of costs because he was successful at correcting the error created in 2011 by Mr Elliott's application to record a change in the name of the proprietor. Additionally, it is said that:

- (i) The error created in 2011 was the result of an application made by Mr Elliott which included a false statement that there had been no change in ownership of the trade mark;
- (ii) The sole director of TOL is a friend of Mr Elliott, and Mr Elliott is on record as saying that he advises his friend in relation to TOL;
- (iii) It can therefore be inferred that TOL knew what Mr Elliott had done in 2011 and nevertheless sought to defend the application for rectification;
- (iv) In any event, TOL knew that Mr Elliott had made a false statement in 2011 when it received Mr Worbey's witness statement in October 2018, and yet it continued to defend the application;
- (v) TOL ran a series of meritless arguments as to why Mr Elliott alone was the true first proprietor of the trade mark, all of which were rejected or abandoned.

5. Rule 67 of the Trade Mark Rules 2008 gives the registrar a wide discretion to award costs.

6. I do not accept that the vast majority of the work involved with the rectification application was linked to the requests for Mr Worbey, or Messrs Worbey, Farrell and Elliott, to be substituted as the proprietor, or joint proprietors, of the trade mark. On the contrary, TOL's primary position throughout was that there was no error in the register. In these circumstances, I see no case for ordering Mr Worbey to pay any of TOL's costs.

7. In my previous decision I found that the statement made on behalf of Mr Elliott when the form TM21 was filed in 2011 – that there had been no change in the ownership of the mark - was not true. Recording the new name of the proprietor as 'Steven Elliott t/a Benderapp.com, Bender Social Networking Limited' was clearly intended to remove Messrs Worbey and Farrell's claim to a share in the ownership of the trade mark by virtue of being part of Benderapp.com, a purported partnership.

8. However, I bear in mind that by the time this change was applied for the proposed business arrangement between the prospective partners had been terminated. The

terms of the prospective partnership had never been agreed and no trading had occurred. On the other hand, Mr Elliott had started using the trade mark through his own company. Therefore, although he was wrong to have sought to record a change of name of proprietor on form TM21, it is possible to understand why he thought it was acceptable to substitute himself as the owner of the trade mark. The recordal of the change of name was further complicated by procedural errors at the IPO. In these circumstances, I do not think that it was unreasonable for TOL to defend the application on the basis of whatever it had been told by Mr Elliott, or what it knew from the witness statement filed by Mr Worbey. Nevertheless, those representing Mr Worbey are correct to point out that TOL ultimately lost on this point.

9. On the other hand, TOL was successful in resisting Mr Worbey's application for him to be substituted as the owner of the trade mark. Further, TOL had to deal at short notice with Mr Worbey's amended application for Messrs Worbey, Farrell and Elliott, to be substituted as joint proprietors of the trade mark. Again, whilst I do not think that making the amended application was unreasonable (although the timing of it may have been), Mr Worbey also lost on this point.

10. Taking all these factors into account, I will not favour either party with a costs award. I direct that each side bears its own costs.

Dated 09th September 2019

Allan James
For the Registrar