O/0422/23

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO. 3734642 BY ONOLUNOSEN ESURUOSO TO REGISTER A SERIES OF TWO AS TRADE MARKS:

PENQUEEN PenQueen

IN CLASSES 16, 21, 25, 35, 40 & 42

AND

OPPOSITION THERETO
UNDER NO. 433094 BY
PERRY ELLIS INTERNATIONAL
EUROPE LIMITED

Background & Pleadings

- On 19 December 2021, Onolunosen Esuruoso ("the applicant") applied to register the series of two trade marks shown on the cover page of this decision in respect of goods and services in Classes 16, 21, 25, 35, 40 and 42. The applicant is a litigant in person.
- 2. On 28 April 2022, Perry Ellis International Europe Limited ("the opponent") filed a Form TM7, opposing some of the goods and services of the application on the basis of Sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 ("the Act"). The opponent is represented by Ashurst LLP.
- 3. On 31 May 2022, the Registry informed the opponent that the statement of grounds was missing from the form, requesting the opponent to refile a copy of the statement of grounds. In this respect, the opponent refiled the statement of grounds on the same date. However, on 28 June 2022, the Registry requested the opponent to file an amended statement of grounds for an inconsistency relating to the opposing goods and services. On 30 June 2022, the opponent filed an amended statement of grounds addressing the above issue.
- 4. On 11 July 2022, the Registry admitted the TM7 into the proceedings and served the TM7 on the applicant setting a deadline for her to file her TM8.
- 5. On 22 August 2022, following the applicant's telephone call, the Registry directed the opponent, under Rule 62 of the Trade Mark Rules 2008, to indicate its best case at the filing of its evidence, making clear submissions as to which particular goods/services in each class are similar to the applicant's specification.

- 6. On 28 August 2022, the applicant filed a TM8 defending her application and putting the opponent to proof of use of those trade marks as relied upon.
- 7. On 6 September 2022, the Registry admitted the TM8 and set the timetable for the evidence/submissions rounds.
- 8. On 26 October 2022, the opponent withdrew its opposition which was also communicated to the parties in the Registry's official letter dated 2 November 2022.
- 9. On 7 November 2022, the applicant wrote to request a costs order.
- 10. On 15 November 2022, the Registry wrote to the opponent informing them that the applicant had requested an award of costs and invited comments on the matter on or before 29 November 2022.
- 11. On 28 November 2022, the opponent filed the following comments:
 - "2. Our client's view is that the Applicant should not be entitled to any costs for the following reasons.
 - 3. The Applicant is an unrepresented party:
 - a. In determining the costs to be awarded, the Applicant should be considered a litigant in person as the Applicant's listed representative appears to be a related person. This is based on the identical address for both the Applicant and the listed IPO representative.
 - b. As such, the Tribunal should assume that Applicant has not incurred any professional fees and therefore no costs should be awarded.

- c. This is in line with the principle set out in paragraph 5.2 of the trade marks manual that the unrepresented party should "not be overcompensated for the cost of the proceedings".
- 4. The Applicant has failed to provide a breakdown or substantiate the costs incurred:
 - a. As per paragraph 5.1 of the Trade Marks Manual, an award for costs is "regarded as contributory rather than compensatory".
 - b. Given that the Applicant has failed to substantiate its costs or evidence that it has incurred any costs, the Tribunal should not award any substantial costs as it will potentially be compensatory to the Applicant.
- 5. The Applicant's counterstatement is not responsive to our client's statement of grounds and only consists of bare denials:
 - a. The Applicant's counterstatement consists of a bare denial, merely requests for our client to establish the grounds of opposition and adduce evidence of proof of use of the trade marks.
 - b. Given the repetitive nature of the counterstatement, it is clear that the Applicant did not spend much time in the preparation and therefore an award of costs cannot be justified.
- 6. In view of the above, our client humbly requests that no award of costs to be granted. Should the Tribunal be minded to grant an award of costs, our client's position is that the Applicant should provide evidence of the costs incurred and our client be allowed to provides further comments in response."
- 12. On 5 December 2022, the Registry invited the applicant to submit any comments on the matter on or before 19 December 2022.

13. On 16 December 2022, the applicant filed further comments making a request for off-scale costs in the following terms:

"[…]

Late Filing of Submissions

Throughout the course of the opposition, the opponent regularly completed and submitted their forms and relevant documents on the last day possible. While submission on the last day possible is not a direct breach of the rules, one of their submissions in particular omitted an essential document (the Statement of grounds), which extended the length of the proceedings by over two months.

This document was missing from their initial submission of their TM7 form, which was due by April 28th of April, 2022. When the Intellectual Property Office requested this from them on the 31st of May, 2022, it was immediately furnished and submitted on the same day. This suggests that the opponent had this document available even before they were notified of its omission and could have easily sped up the proceedings by submitting it earlier.

After filing their statement of grounds late on the 31st of May, 2022, the submitted document was found to be inadequate and required further amendments, based on a letter sent out by the Intellectual Property Office on the 28th of June, 2022.

I do not believe that this behaviour by the opponent was reasonable, given that they are legally represented by an award-winning law firm, which I expect to be more conversant with the proceedings of a trademark opposition than a party that is not represented by a lawyer.

Relevance and Complexity of the Opponent's Submissions

The opponent submitted a TM7 form which was 60 pages long and included a Statement of grounds by way of a continuation sheet with a further 38 pages, making a total of 98 pages combined. This was a very long document to assess and after reviewing it, I noted that the opponent had decided to oppose the applicant's single trademark and four of its classes with six different trademarks and multiple classes. This greatly increased the complexity of the opposition.

The only substantial overlap in classes between the six trademarks being defended (Penguin marks) and the one trademark (PenQueen) being opposed was in class 25. When I raised this with the Intellectual Property Office, I was informed that the opponent would simply need to prove their claims using submissions at the evidence stage.

The opponent was informed of this requirement in a letter sent out by the Intellectual Property Office on the 22nd of August, 2022. This letter included a warning of an adverse award of costs if they failed to provide relevant submissions. Two months later, the opponent withdrew their opposition on the 26th of October, 2022.

I firmly believe that the opponent did not adequately prepare for this opposition and did not have any relevant submissions to support their claims in their TM7 form and statement of grounds. I consequently believe that they withdrew their opposition for this reason, to prevent a complete loss at the evidence and submissions stage. This suggests that the claims that were raised by the opponent and/or their representative were not relevant to the applicant's trademark and have resulted in months of avoidable delays to her trademark registration.

Withdrawal of Opposition

The opponent's decision to withdraw their opposition at the evidence and submission stage has admittedly shortened the total length of the litigation process, albeit inadvertently. However, I believe that the applicant has been unfairly delayed in the use of her trademark and has had to spend a significant amount of time responding to this groundless opposition.

The opponent was informed that their grounds of opposition were unreliable. I informed them of this very early in the process when they initially filed their TM7a. In multiple emails, I outlined to them in detail that their opposition was based on conjecture: their own opinion of what constitutes a trademark infringement.

However, they finally realised that this was the case after our TM8 was accepted by the Intellectual Property Office without amendments and decided to withdraw their opposition in its entirety; an action that they could (and should) have taken months earlier if they had sincerely attempted to listen to my warnings and advice.

Award of Costs Breakdown

For the reasons mentioned above, I believe that the applicant is entitled to an off-scale award of costs. Based on the manual of trademarks practice (Section 5.2), unrepresented parties can provide an itemised account of hours spent on proceedings with a minimum level of compensation set at £19 per hour. To assist in the calculation for the award of costs, I have provided an itemised account in the table below.

Activity	Time Spent	Cost@£19/hour
Consideration of the Opposition's	approx. 38	£722
TM7	hours	

Calling Solicitors and Intellectual Property Office	approx. 5 hours	£95
Research of Trademark Laws	approx. 15 hours	£285
Research of Trademark Case Studies	approx. 49 hours	£931
Preparation of TM8	approx. 31 hours	£589
Total	approx. 138 hours	£2,622

Conclusion

As the applicant is unrepresented by a legal professional, it should be appreciated that extra time and effort were necessary to understand the laws involved in trademark litigation and the process for responding to the opposition. The effort and time spent researching can be seen in the detailed yet concise 5-page response the applicant submitted in her TM8 form and counterstatement, in response to the 98-page TM7 form and statement of grounds that the opponent submitted.

Based on the conservative estimation of time spent above, I request that an award of costs of £2,622 be made in the applicant's favour. Thank you for your consideration in this matter."

- 14. On 11 January 2023, the Registry invited the opponent to file any further comments on or before 25 January 2023.
- 15. On 6 February 2023, the opponent apologised for filing late comments explaining that "[u]nfortunately our trade marks team had left the firm and there has been a delay in a consultant being appointed to handle trade mark matters, this was further complicated by the Christmas period. Our Consultant started two weeks ago and has just been brought up to speed on this matter and has sought client instructions accordingly." The opponent further stated that:

- "1. The amount of the costs award requested by the Applicant is not reasonable even for a litigant in person. On examination of the costs breakdown it would appear that the Applicant has sought an award based on compensating the Applicant for the period of time they were not able to use their PENQUEEN mark. As the registry is aware, a costs award cannot be compensatory in nature.
- 2. Further we are of the opinion that had the Applicant sought a quote and legal advice from a trade mark attorney at the outset, the fees in themselves would have been less as such work would likely have been undertaken on a fixed fee basis.
- 3. The Opponent strongly rejects the Applicant's indirect assertion that the delay of submitting its observations was not done in error and that this resulted in a prolonged process and an increase in the Applicant's costs. It is highly unlikely that the Applicant would have incurred any more costs as a result of an extension being granted by the UKIPO to rectify its error in not attaching its Statement of grounds with the TM7 form."
- 16. On 1 March 2023, the Registry wrote to the parties issuing its preliminary view as follows:

"Dear Sirs,

I refer to the applicant's request for costs dated 07 November 2022 and the applicant's further comments of 16 December 2022. I also refer to the opponent's comments of 28 November 2022 and 06 February 2023.

The Registry has considered all of the comments from both parties and the preliminary view is that the request for an off the scale award of costs should be rejected. In reaching this view, the registry does not consider the opponent's behaviour would unreasonably delay, frustrate or increase the costs/burden on the applicant.

Further information on costs off the scale can be found at paragraph 5.6 of the Tribunal work manual: https://www.gov.uk/guidance/trade-marks-manual/tribunal-section.

However, the registry's view is that an award of costs of £150.00 from the scale should be awarded to the applicant. This amount is reached as follows:

Considering TM7 and £50.00 Filing Counterstatement £100.00 TOTAL £150.00

If either party disagrees with the preliminary view they should request a hearing within 14 days from the date of this letter; that is on or before **15 March 2023**.

If no response is received within the time allowed, the preliminary view will automatically be confirmed."

- 17. On 2 March 2023, the applicant requested the Registry to provide a detailed explanation for the calculation of the cost award as outlined in its preliminary view.
- 18. On 14 March 2023, the Registry replied to the applicant noting that:

"It is noted that our letter of 01 March 2023 already sets out how the preliminary view was reached and we further confirm the following:

Following the withdrawal of the opposition on 26 October 2022, both parties were invited to submit their comments in relation to costs.

After careful consideration, the registry did not consider that the opponent's behaviour would unreasonably delay, frustrate or increase the costs/burden on the applicant and therefore the standard scale was used to calculate the costs award.

If the applicant disagrees with the preliminary view, they must request a hearing in writing on or before **21 March 2023**.

If no request for a hearing is made before the above deadline, the decision will automatically be confirmed."

19. On 21 March 2023, the applicant requested a hearing on the matter.

Hearing

- 20. The hearing took place before me on 14 April 2023 by way of telephone conference. The applicant was represented by Mr Abimbola Esuruoso and the opponent by Mr Sunny Kumar of Ashurst LLP.
- 21. Only the applicant provided skeleton arguments which I do not intend to reproduce in full here. The applicant's skeleton arguments reiterated and reviewed points from the previously filed comments, including "the late filling of submissions, the relevancy and complexity of the opponent's submissions, and the eventual withdrawal of the opposition". The applicant also provided some commentary on another decision of a hearing officer,¹ which was considered similar to the case in hand, and sections from the Manual of Trade Marks ("Manual") that the applicant intended to refer to.
- 22. At the hearing, I outlined that the remit of the hearing was to determine whether an off-scale costs award was justifiable under the applicable Tribunal Practice Notices ("TPNs"), Trade Mark Rules 2008 ("the Rules"), the Manual, and case law. I also acknowledged and addressed the written enquiry of the applicant regarding the Tribunal's view not to require the opponent to file a late skeleton argument. I explained that the Tribunal's letter appointing the hearing at issue mistakenly included the instruction that professionally represented parties must file a skeleton argument before the hearing as per TPN 1/2004. I clarified that skeleton arguments are generally mandatory for (substantive) main hearings as opposed to the hearing at issue concerning the single issue of off-scale costs. Further, I emphasised that I am not bound by the hearing officer's decision which the applicant claimed within its skeleton argument to be similar to the case in hand, and that my assessment should be based on the set of facts of this case. I also reminded the parties that costs in Tribunal cases are contributory and not compensatory, and the Litigants in Person (Costs and Expenses) Act 1975 was applicable to this case.

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¹ Kismat Konnections Ltd v. Raja Kohli, BL O/597/20.

- 23. Subsequently, I asked Mr Esuruoso for his submissions. Mr Esuruoso explained that the opponent could have taken multiple actions to shorten the length of the opposition proceedings, for example, by filing its comments/submissions on time, without causing unnecessary delays. In particular, he referred to the initial omission of the statement of grounds from the TM7, which was said to have caused a delay that "costed another extra month in the back and forth of the opposition". Mr Esuruoso went on to say that the off-scale costs, based on the itemised bill accompanying the applicant's skeleton argument, are justified by the phone calls made to the Tribunal, the quality of the TM8 quoting and citing the relevant sections of trade mark law, and the actual amount of time incurred up to the withdrawal of the opposition.
- 24. Mr Esuruoso drew my attention to the decision of *Kismat Konnections Ltd*, which he considered similar to this case. In that decision, following the opponent's disagreement with the preliminary view, the hearing officer reviewed the initial costs award. Mr Esuruoso provided his view that this was because the hearing officer "did admit that although if they used onscale award of costs, the award would have been lower; they acknowledged that the time spent by the opposition going through the process of opposing the applicant did amount to a higher award of costs and they did use an hourly rate of £19 an hour, similar to the breakdown given by the applicant. So if we were to follow a case-by-case basis, it does seem that this case is similar, and a similar judgment should be given."
- 25. At this point, I asked Mr Esuruoso whether he was putting forward a claim that the award of costs should be on-scale as per the other decision he was referring to. Mr Esuruoso stated that his understanding was that the use of an hourly rate is normally applied when applying off-scale costs, where I clarified that the hourly rate applies to unrepresented parties with the minimum rate applied of £19 per hour², also referring him to the application of the Litigant in Person Act 1975 and the scale of costs

² See Civil Procedure Rules, Part 46.5 (3.4).

governing the opposition proceedings offered under Annex A of TPN 2/2016. As a result, Mr Esuruoso confirmed that the applicant still sought off-scale costs.

- 26. I then asked Mr Esuruoso to expand on how the opponent's behaviour was unreasonable or constituted a delay tactic. He submitted that "that is the assumption that I can make unless the opponent can explain why the initial responses to the IPO only seem to be triggered whenever I call the IPO to follow up on the process and find out what should happen now that the deadline for submissions has passed". He then provided an example where the opponent filed late comments with a two-week delay. Mr Esuruoso stated that the reasons provided by the opponent could have been communicated earlier, allowing the applicant to "actually respond to the fact".
- 27. Mr Kumar then put forward his submissions in reply. Firstly, he stated that the initial delay concerning the TM7 was a mistake on their part as the statement of grounds was prepared, but his previous colleague, for some unknown reason, did not attach the document. However, the opponent filed this as soon as the Registry prompted them for the omission. He also submitted that it is unclear how such a delay would have caused the applicant to incur any further costs, as there was nothing for the applicant to prepare for at that stage.
- 28. Secondly, in response to the delay tactic assertions made by the applicant, Mr Kumar explained that it was a "turbulent time" for the firm as the entire IP team left Ashurst LLP, creating difficulties that he faced when he joined as an IP consultant. In more detail, he described that it was very difficult for the firm to secure likely personnel to take on the existing matters, and this was the main reason they missed the deadline to submit comments on 25 January 2023. Mr Kumar submitted that he was unaware of that deadline, and when the Registry notified him, he provided the reasons for missing the deadline. He also highlighted in the hearing that "the previous IP team not only left, but they also took their existing system for trade

marks management with them. Therefore, we had no information as to existing trade mark matters. So when I joined in the two weeks prior to me sending that response, informing the IPO of what has happened, and I have been piecemeal trying to populate matters and all correspondence."

- 29. Mr Kumar further submitted that an award of off-scale costs should not be compensatory. He stated that the amount of time requested is significant while recognising that it reflects, to a degree, the time needed for a litigant in person to understand the guidelines and the facts of the case. Mr Kumar also added that seeking legal advice would have been less costly than what the applicant is currently claiming as an award. Further, Mr Kumar submitted that an award off-scale should not be made as the facts of the case were not particularly complex, not involving, for example, a figurative mark or anything with elements of dominance, and that the opponent has not done anything that would "wilfully cause delay".
- I then turned to Mr Esuruoso for his final submissions. He submitted that the "lack of process" in Ashurst has impacted the proceedings in question and "extenuated the matter a lot longer than it needed to be". As a result, the applicant has been delayed in using her trade mark. Mr Esuruoso further submitted that the applicant's position has been that the opposition proceedings should never have been brought before the Office, still less to have progressed to the notice of opposition. Nevertheless, the opponent elected to proceed up to the point where the applicant filed a counterstatement. Mr Esuruoso stated that this had impacted the applicant, causing unfair delays in using the applied-for mark. He then underlined that the time spent on this case, including the delay caused by the opponent, has been recorded hourly. For these reasons, the applicant requests "an off-scale award of costs, not simply to compensate the applicant, but to contribute at the very least to the amount of time spent. And even if you looked at the higher end of the on-scale award of costs, that would even be a contribution to the applicant's cost because that would at least compensate for some of the time spent, if not the whole

- *amount*." The applicant concluded by referring to the length of the TM7, namely 98 pages, containing six earlier marks.
- 31. Finally, I asked the parties if they had any more submissions or comments to make, and Mr Kumar iterated that it is unclear how the delays incurred further costs to the applicant since the applicant would have remained idle with nothing to prepare for.
- 32. I concluded the hearing after hearing submissions from both sides but reserved my decision in order to properly reflect upon the submissions made by both parties.

Legislation and Guidance

- Section 68 of the Act reads as follows:
 - "(1) Provision may be made by rules empowering the registrar, in any proceedings before him under this Act
 - (a) to award any party such costs as he may consider reasonable, and
 - (b) to direct how and by what parties they are to be paid. [...]"
- 34. Rule 67 of the Trade Marks Rules 2008 provides:

"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 what parties they are to be paid."

35. TPN 2/2016, at Annex A, sets out the scale of costs applicable:

Task	Cost
Preparing a statement and considering the other side's statement:	From £250 to £650 depending on the nature of the statements, for example their complexity and relevance.
Preparing evidence and considering and commenting on the other side's evidence:	From £600 if the evidence is light to £2600 if the evidence is substantial. The award could go above this range in exceptionally large cases but will be cut down if the successful party had filed a significant amount of unnecessary evidence.
Preparing for and attending a hearing:	Up to £1900 per day of hearing, capped at £3900 for the full hearing unless one side has behaved unreasonably. From £350 to £650 for preparation of submissions, depending on their substance, if there is no oral hearing.
Expenses:	(a) Official fees arising from the action and paid by the successful party (other than fees for extensions of time).(b) The reasonable travel and accommodation expenses for any witnesses of the successful party required to attend a hearing for cross examination.

36. TPN 2/2016 updates and supplements TPN 4/2007 and TPN 2/2000. TPN 4/2007 maintains that off scale costs may be given in certain circumstances, the relevant section of which is copied below:

"Off scale costs

5. TPN 2/2000 recognises that it is vital that the Comptroller has the ability to award costs off the scale, approaching full compensation, to deal proportionately with wider breaches of rules, delaying tactics or other unreasonable behaviour. Whilst TPN 2/2000 provides some examples of unreasonable behaviour, which could lead to an off scale award of costs, it acknowledges that it would be impossible to indicate

all the circumstances in which a Hearing Officer could or should depart from the published scale of costs. The overriding factor was and remains that the Hearing Officer should act judicially in all the facts of a case. It is worth clarifying that just because a party has lost, this in itself is not indicative of unreasonable behaviour

- 6. TPN 2/2000 gives no guidance as to the basis on which the amount would be assessed to deal proportionately with unreasonable behaviour. In several cases since the publication of TPN 2/2000 Hearing Officers have stated that the amount should be commensurate with the extra expenditure a party has incurred as the result of unreasonable behaviour on the part of the other side. This "extra costs" principle is one which Hearing Officers will take into account in assessing costs in the face of unreasonable behaviour.
- 7. Any claim for cost approaching full compensation or for "extra costs" will need to be supported by a bill itemizing the actual costs incurred.
- 8. Depending on the circumstances the Comptroller may also award costs below the minimum indicated by the standard scale. For example, the Comptroller will not normally award costs which appear to him to exceed the reasonable costs incurred by a party."
- 37. Insofar as it is relevant, paragraphs 5.2 and 5.6 of the Tribunal Section in the Manual reads as follows:

"5.2 Unrepresented parties

Unrepresented parties generally incur lower costs because they do not have to pay legal or other professional fees. If the scale of costs were applied to unrepresented parties, they might receive costs in excess of what they may reasonably have incurred, which would undermine the contribution-not-compensation approach and the indemnity principle. Therefore, unless a Hearing Officer directs otherwise, unrepresented parties will be sent a proforma at the end of

proceedings inviting them to set out the number of hours spent on the various steps of the proceedings.

If an award is to be made in favour of an unrepresented party, Hearing Officers will consider the information provided when determining the sum to be awarded. The number of hours claimed will not, however, be binding on Hearing Officers, who will continue to assess whether the time spent was reasonable in the circumstances of the case and who will retain a residual discretion in any event.

The sum to be awarded per hour will be analogous to that set out in the Civil Procedure Rules, Part 46, which is currently £19 per hour. The total amount awarded should, though, not exceed the maximum amount payable on the scale of costs (unless off-scale costs are sought). If the unrepresented party does not complete and return the proforma, no costs award will be made save in relation to official fees (except fees for extensions of time).

[...]

5.6 Costs off the scale

Depending on the circumstances, the Tribunal may also award costs below the minimum indicated by the standard scale. For example, the Tribunal will not normally award costs which appear to exceed the reasonable costs incurred by a party.

Notwithstanding the published scale, the Tribunal retains the discretion to award costs "off the scale" to deal proportionately with unreasonable behaviour. It is not possible to set out all the circumstances in which a Hearing Officer might depart from the scale. It is worth clarifying though that just because a party has lost, this in itself is not indicative of unreasonable behaviour. Some examples of what might constitute unreasonable behaviour include a party seeking an (avoidable) amendment to its statement of case which, if granted, would cause the other party to have to amend its statement or would lead to the filing of further evidence. Other examples include

behaviour designed to delay, frustrate or unreasonably increase the costs/burden on the other party and/or repeated breaches of procedural rules. Off-scale costs may also be awarded if a losing party unreasonably rejected efforts to settle a dispute before an action was launched or a hearing held, or unreasonably declined the opportunity of an appropriate form of Alternative Dispute Resolution.

The level of off-scale costs will, generally speaking, be commensurate with the extra expenditure a party has incurred as a result of the unreasonable behaviour. Any claim for costs approaching full compensation or for "extra costs" will need to be supported by a bill itemizing the actual costs incurred. There may be some circumstances where costs below the minimum indicated by the published scale are awarded. For example, a party who does not follow a suggestion from the Hearing Officer as to the most efficient means of managing the case, may only be entitled to whatever award they would have received if they had followed the Hearing Officer's suggestion."

Decision

- 38. As mentioned above, in the present case, reference was made to an earlier decision, where the Tribunal hearing officer had considered the facts before them as not warranting off-scale costs. Decisions by fellow hearing officers will, of course, be determined on their own facts and are not binding, or strong precedent for other cases before the Tribunal. In this regard, whilst I have considered *Kismat Konnections*, I am not bound by it, and my assessment is set out below.
- 39. I note that an award of costs in the applicant's favour is appropriate since the opponent was asking for no award to be made. The applicant was required to defend the proceedings, ultimately resulting in the opponent withdrawing its opposition.

Off-scale costs

- 40. I have carefully considered both parties' comments and submissions. It is my view that there is nothing before me to indicate that the opponent has behaved unreasonably or attempted to delay the proceedings intentionally. This is evident from the chronology of the proceedings, the facts of the case at hand, and the juxtaposition of the parties' submissions. I consider that the initial omission of the statement of grounds can be attributed to a human error, and the departure of the entire IP team from Ashurst LLP led the opponent to miss the said deadline. I note the applicant's criticism of the opponent's own behaviour, and although I recognise the short delay in these proceedings, I do not consider that any such behaviour was unreasonable or tactical. The omission of the statement of grounds and the deficiencies of the TM7 were promptly rectified as soon as the Registry notified the opponent, and subsequently sufficient reasons were given in explanation.
- 41. The applicant raised that she had been unfairly delayed from using the applied for mark while defending the application against a "groundless" opposition, which was subsequently withdrawn. It is worth noting that there is no provision to award costs to a party for the delay in being able to use their mark. I also note that when an application is filed, part of the process before registration is that it is open to opposition. The application in question is no exception. In addition, during the opposition proceedings, the opponent is entitled to withdraw the opposition at any stage. Notably, in this case, the opponent did so in the early stages of the proceedings well in advance of the evidence/submissions rounds, without protracting matters. Whilst I understand the applicant's frustration in having to defend her application, I do not consider that she suffered any unfair treatment. Therefore, I do not consider the opponent to have caused any unreasonable delays, and any delays that did occur have been adequately explained. Accepting that the applicant is entitled to a costs award in her favour, I do not find merit in her allegations to justify off-scale costs. The

opponent's behaviour has not been unreasonable to warrant anything other than on-scale costs for the applicant.

Costs on the scale

- 42. Having concluded that there is nothing to suggest that an off-scale award of costs is appropriate, I am guided in this decision by the scale of costs set out in TPN 2/2016, as shown earlier in this decision.
- 43. First and foremost, I will remind myself that the Tribunal awards costs on a contributory rather than a compensatory basis and particularly the guidance provided in Section 5.2 of the Manual states that:

"Unrepresented parties generally incur lower costs because they do not have to pay legal or other professional fees. If the scale of costs were applied to unrepresented parties, they might receive costs in excess of what they may reasonably have incurred, which would undermine the contribution-not-compensation approach and the indemnity principle."

- 44. I also take into account Mr Hobbs QC's (as he then was) comments in *Amaro*, O/257/18:
 - "17. [...] an award of costs is required to reflect the effort and expenditure to which it relates without inflation for the purpose of imposing a financial penalty by way of punishment on the paying party. The determination of a 'reasonable' amount to award must depend on the nature and circumstances of the case at hand."
- 45. I accept that the applicant, as a litigant in person, has spent time familiarising herself with the relevant law and issues of the case, where the opponent relied upon three grounds and six earlier rights. Additionally, I accept that an unrepresented party would take longer to prepare and consider documents than a solicitor or trade mark attorney. However, although the TM7 consists of 98 pages, I do not consider the notice of

opposition to be of particular complexity. This is because the list of the opposed terms, for which the opponent claimed identity/similarity, is voluminous, making up a substantial number of pages, with the statement of grounds itself only being eight pages long. I do not consider the statement of grounds as being unnecessarily excessive in length, therefore.

- 46. In terms of the total of 138 hours claimed for the filing of TM8, whilst I have no reason to doubt the number of hours said to have been expended by the applicant, they strike me as disproportionately high for the task undertaken.
- 47. Given the nature of both the opposition and the defence, to have spent 38 hours considering the opposition and 31 hours formulating a response appears excessive. Accordingly, I consider it reasonable to award the applicant £190, i.e. 5 hours for considering the opposition + 5 hours for completing the TM8 x £19.
- 48. The activities surrounding communication with the Registry, Solicitors, and general administration are not costs that would be recoverable on the usual scale. I, thus, do not award costs for these tasks.
- 49. The applicant claims 64 hours in total in relation to trade mark law and case law research. I appreciate that the applicant is a litigant in person, not being familiar with the relevant authorities, and would have been required to undertake some research in order to be able to draft the counterstatement. However, on balance, I consider that 4 hours covering both tasks to be reasonable, and I award the applicant £76 in this regard, i.e. 4 hours x £19.

Overall conclusion on costs

50. Taking the above into account, and bearing in mind my earlier observations relating to the contributory nature of the award, I consider a costs award for the following number of hours to be reasonable:

Considering the other side's **5 hours**

statement (TM7)

Preparing and completing TM8 5 hours

Research tasks 4 hours

Total **14 hours**

51. I hereby order Perry Ellis International Europe Limited to pay Onolunosen Esuruoso the sum of £266 (calculated as 14 hours at £19 per hour). The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 5th day of May 2023

Dr Stylianos Alexandridis For the Registrar, The Comptroller General