

**O-458-15**

**TRADE MARKS ACT 1994**

**SUPPLEMENTARY DECISION ON COSTS**

**IN THE MATTER OF CONSOLIDATED PROCEEDINGS INVOLVING:**

**i) TRADE MARK APPLICATION 3013482  
BY PAPA SPICE LTD**

**TO REGISTER THE FOLLOWING SERIES OF MARKS IN CLASSES 29, 30 & 43:**

**PaPa Spice, PaPa spice, PaPa-Spice & PaPaSpice**

**AND**

**AN OPPOSITION THERETO (NO. 401194) BY  
CROWN ORIENTAL FOODS LIMITED**

**ii) TRADE MARK REGISTRATION 1391905  
IN THE NAME OF CROWN ORIENTAL FOODS LIMITED  
OF THE FOLLOWING TRADE MARK IN CLASSES 29, 30 & 31:**

**PAPA**

**AND**

**AN APPLICATION FOR REVOCATION THEREOF (No. 500308)  
BY PAPA SPICE LTD**

1. On 6 August 2015 I issued a decision in relation to these consolidated proceedings. In terms of the opposition case, it succeeded, but only partially. In summary, the opposition failed in relation to:

**Class 29:** Chilli oil; Olive oil.

**Class 30:** Dressings (salad-); Marinades; Pepper vinegar; Peppers [seasonings]; Processed herbs; Cooking essences

but succeeded in relation to:

**Class 29:** Chilli

**Class 30:** Chili; Chili powders; Chili cooking sauce; Spice preparations.

2. It should be noted that i) the opposed application was published for a much broader range of goods, but it was restricted during the course of the proceedings and ii) the application also covers services in class 43 which were originally the subject of the opposition, but the opponent dropped this claim later in the proceedings.

3. In terms of the revocation, the mark was partially revoked from its original specification of:

**Class 29:** Fruits and vegetables, all being preserved, dried, cooked, frozen or canned; edible oils and edible fats; preserves; pickles; salad dressings; edible (shelled) nuts; edible seeds; pulses; all included in Class 29.

**Class 30:** Flour; flour products for food; cereals; rice; sauces; vinegar, spices, flavourings, essences; all included in Class 30.

**Class 31:** Fresh fruits; nuts; fresh vegetables; seeds; all included in Class 31.

to a limited specification of:

**Class 29:** Pulses

**Class 30:** Gram flour; poppodoms, being flour products for food; rice

4. In terms of costs, I permitted the parties an opportunity to make submissions in writing (which they did and which I have borne in mind), not least due to the various complications that arose in relation to points of pleading. I will not rehearse those points here, they are dealt with in my earlier decision.

5. I should say upfront that in the normal course of events, the outcome of the proceedings set out above would have led me to direct that the parties should bear their own costs. The result seems something of a score-draw. I do not understand the opponent to necessarily disagree with that view, it considers there to have been "no clear winner". The applicant, though, considers that it should be favoured with an award of costs, and in some circumstances costs above the published scale. It is

clear that I have the power to award off-scale costs. The registrar's wide discretion was confirmed in the case of *Rizla Ltd's Application* [1993] RPC 365 and the tribunal has issued a practice notice (TPN 2/2000) which, whilst stating that costs will generally be assessed with reference to the published scale (as now set out in TPN 4/2007), goes on to state:

"However, the Office envisages the necessary flexibility as going beyond the criterion of "without a genuine belief that there is an issue to be tried" developed in the *Rizla* case. 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."

6. With those observations in mind, I will touch on what appears to be the applicant's main contentions:

### **Requirement to attend case-management conferences (CMC)**

7. A CMC took place to deal with a request by the opponent for an extension of time to file evidence. I granted the request (the evidence had been filed by the time of the CMC) but I indicated that whilst the issue of costs would be dealt with at the end of the proceedings, the award would be against the opponent (despite the discretion being exercised in its favour) as some of its reasons were based on recent events/additional information. I stand by that indication. The opponent highlights that this was the only extension it required during the proceedings. The applicant highlights that to deal with this issue the cost to the applicant was £2500 (for preparing written submissions and attending (by counsel) the hearing) and it requires off scale costs for this. I decline the request for off scale costs. Despite providing extra information at the hearing, it is difficult to conclude that the issue would not have proceeded to a CMC even if the information had been given earlier. That the applicant appointed counsel is, of course, up to it. However, the opponent ought not to be required to overly compensate the applicant for this as the issue of an extension of time is a relatively straightforward one and not one on which counsel is regularly appointed. I conclude that the applicant be awarded costs of £200 in relation to this CMC.

8. A further CMC took place on some of the pleadings issues. The amendments were requested by the opponent. Some were not opposed (by the applicant) and had already been accepted by the tribunal. Some were opposed (by the applicant) and had not previously been accepted by the tribunal. At the CMC I directed that the opposed amendments were either rejected or were unnecessary. The opponent highlights that the CMC was also appointed to discuss late evidence from the applicant, however, leave for its inclusion was not only withdrawn, but it should also be borne in mind that the evidence related to the points that the opponent was attempting to add to its pleadings. All things considered, I agree that the applicant should receive some form of costs award. The applicant highlights, again, that this issue cost it £2500. Again, I do not consider it appropriate to make an award at that level, but it should nevertheless be higher than the award I gave for the first CMC, given the greater level of complexity involved. I conclude that the applicant be awarded costs of £400 in relation to this.

## **Exaggerated claims/overreaching/general conduct**

9. The applicant believes the opponent to have overreached itself in its claims, highlighting the extent for which its mark was revoked. I have already indicated that the result of the proceedings was something of a score draw. I do not consider that the making of the opponent's claims (compared to what it was able to prove) can be regarded as something akin to unreasonable behaviour or delaying tactics. Neither has there been a breach of any rule. Looking at the case in the round, both parties have amended pleadings at certain points in time, but in neither case do I consider that such conduct was to delay or was a form of unreasonable behaviour. Indeed, many of the actions strike me as actions undertaken in an attempt (albeit not always in the clearest of manners) to reflect better the commercial reality of the dispute. The opponent has flagged up issues from its perspective that may have increased its costs, such as the initial broad specification of the applicant, the withdrawn evidence (which it had to go through) and unhelpful evidence. Whilst I do not necessarily disagree with the observations made, such factors do not persuade me that I should depart from my score draw approach. No additional award will be made to either party.

## **Offers to settle**

10. Both sides have referred to an offer made by the applicant to settle the matter by undertaking not to use the application (or register it) for flour products, pulses, dried vegetables and chutneys. The applicant feels the opponent "has not beaten" that offer and was therefore acting unreasonably by not accepting it. The opponent highlights that at that point in time the application was much broader as it had not been limited and that it was justified in proceeding with the opposition. I agree. To continue was not in my view unreasonable or abusive. I note that a further offer was subsequently made, but this was only shortly before the hearing, and, therefore, it would, in my view, have had little impact as by that time the proceedings had been ongoing for some time and it was not unreasonable for the opponent to proceed to final decision. No additional award will be made to the applicant.

## **Conclusion on costs**

11. Other than to reflect the costs associated with the CMCs (£600 to the applicant), the general handling of the case does not persuade me that either party should be awarded costs. It is six of one and half a dozen of the other.

## **Outcome**

- i) The substantive findings made in my previous decision are confirmed.**
- ii) The appeal period in relation to both the substantive findings and my decision on costs commences as of the date of this supplementary decision.**
- iii) I order Crown Oriental Foods Limited to pay PaPa Spice Ltd the sum of £600 as a contribution towards its costs, payable within fourteen days of the expiry of the appeal period or within fourteen days of the**

**final determination of this case if any appeal against this decision is unsuccessful.**

**Dated this 1st day of October 2015**

**Oliver Morris  
For the Registrar,  
The Comptroller-General**