In the matter of THE TRADE MARKS ACT 1994

In the matter of Trade Mark registration No. 2358874
PRO-LITE in the names of
STEPHEN FENTON and DAVID HINDE

In the matter of Invalidity application No. 83128 by PAUL GRAY CYCLE SPORT LTD

Appeal of the Applicant from the decision of
Mr Oliver Morris dated 24 March 2010

DECISION

1. The mark Pro-Lite was registered in respect of “bicycles; parts and fittings for the aforesaid goods” by David Hinde and Stephen Fenton with effect from 20 March 2004.

2. On 24 January 2008, Mr Paul Gray of Cycle Sport Ltd applied for a declaration of invalidity of the mark, on the basis that it was registered in breach of section 5(4)(a) of the 1994 Act because he (or his company) would have been entitled to prevent the proprietors’ use of the mark at the relevant date by virtue of the law of passing off. A counterstatement was filed by Mr Fenton, who alone has contested the invalidity proceedings.

3. Both sides filed evidence and there was a hearing before Mr Morris on 10 December 2009, attended by counsel on behalf of Mr Fenton, and by Mr Gray in person.

4. Mr Morris provided a lengthy written decision dated 24 March 2010. He concluded that there were grounds to find that Mr Gray might have prevented use of the mark by the proprietors by a passing off action, so the application for a declaration of invalidity succeeded. He ordered Mr Fenton to pay £1,100 towards Mr Gray’s costs within 7 days or within 7 days after any appeal being determined.

5. Mr Fenton filed Grounds of Appeal and the appeal was listed for hearing before me on 21 July 2010. On 9 June 2010 Mr Gray asked me to consider making an order for security for his costs of the appeal. Both sides were invited to and did make some written submissions to me about that matter, which had not been concluded when, by a letter of 15 July 2010, Mr Fenton's solicitors, Messrs Ward Hadaway wrote to inform the Treasury Solicitor of his intention to withdraw the appeal.

6. The hearing for 21 July was duly vacated, but on 20 July Mr Gray sought an award of costs in respect of the abandoned appeal and provided the Treasury Solicitor with an indication of the time he had spent (rather than the costs he had incurred) as an unrepresented party in preparing for the appeal. He stated that he had read the transcript of the hearing on 10 December 2009, as well as re-reading Ward Hadaway's files, by which I understand him to mean, the evidence filed in relation to the application, which is contained in one large lever-arch file. He did not suggest that he had wasted time preparing written submissions for the appeal hearing. He said he had spent "way in excess of 30 hours" in such preparation.

7. Mr Fenton was invited to respond to the application for costs, which he did by Messrs Ward Hadaway's letter of 3 August 2010. They suggested that no award of costs should be made, or that any award should reflect the minimal preparation which it would have been reasonable for Mr Gray to do given the scope of the grounds of appeal, which they said "concern a defined question of law which relates to a small section of the hearing officer's decision … this is the only point, therefore, that Mr Greenwood needed to consider." They added that the appeal was "withdrawn before any skeleton arguments had been filed on behalf of the Appellant, and so Mr Gray had not been put to any time in considering that skeleton argument or in either preparing his own skeleton argument or providing a response to the [our] arguments." I note that in a letter relating to the application for security for costs they had suggested that preparation for and attendance at the hearing might take Mr Gray no more than 15 hours.

8. It seems to me that as a matter of principle it is right that Mr Fenton should pay Mr Gray an appropriate contribution towards his costs of the abandoned appeal, in particular because the appeal was withdrawn late in the day and after Mr Gray had made representations about security for costs.

9. It appears that Mr Gray had (as one might expect) taken steps in considering the merits of the appeal and towards preparing for the abandoned hearing. He says that he had considered the transcript of the hearing below and the documents filed. That does not seem to me to have been either unnecessary, or unexpected, given the scope of the Grounds of Appeal, which alleged that the hearing officer had erred in making findings that were unsupported by the evidence before him. I am not convinced that it is therefore right to say, as Ward Hadaway did, that the Grounds of Appeal raised only a point of law, and certainly I think it entirely reasonable that an unrepresented party such as Mr Gray would think it necessary to re-read all of the evidence when faced with such Grounds of Appeal. I am not, however, persuaded that it was necessary to spend over 30 hours on such preparation, especially as the appeal was withdrawn a week before the appeal was to take place. I think that an estimate of the reasonable length of time for an unrepresented party to spend in such preparation (stopping short of preparing a skeleton argument) in this case is 12 hours.

10. In *South Beck,* B/L O/160/08 (9 June 2008), Mr Richard Arnold QC, acting as the Appointed Person explained that where the successful party is a litigant in person, the Registrar (or the Appointed Person) will apply by analogy the principles applicable to High Court proceedings which are set out in CPR 48.6 of the Civil Procedure Rules. That Rule provides, in particular, at 48.6(2):

> "The costs allowed under this rule must not exceed, except in the case of a disbursement, two-thirds of the amount which would have been allowed if the litigant in person had been represented by a legal representative."

CPR 48.6(4) also provides:

> "The amount of costs to be allowed to the litigant in person for any item of work claimed shall be –
>
> > (a) where the litigant can prove financial loss, the amount that he can prove he has lost for time reasonably spent on doing the work; or
> >
> > (b) where the litigant cannot prove financial loss, an amount for the time reasonably spent on doing the work at the rate set out in the practice direction."

The relevant Practice Direction about costs, which supplements CPR 48, provides at Section 52 that:

> "4. The amount, which may be allowed to a litigant in person under rule 46.3(5)(b) and rule 48.6(4), is £9.25 per hour."

11. It seems to me that CPR 48.6(4)(b)applies here and I will, in all circumstances, order Mr Fenton to pay Mr Gray the sum of £111, being 12 times £9.25, such sum to be paid within 14 days of today. That sum is to be paid in addition to the sum awarded in respect of costs by Mr Morris, if it has not already been paid.

Amanda Michaels
4 August 2010