

TRADE MARKS ACT 1994

TRADE MARK APPLICATION NO. UK00003695241 IN THE NAME OF SANTA CRUZ BICYCLES, LLC

AND IN THE OPPOSITION NO. OP000431758 BY EICHER MOTORS LIMITED

DECISION ON COSTS

1. By email dated 26 July 2024 the Santa Cux Bicycles, LLC (“**the Applicant**”) stated that it unconditionally withdrew UK Trade Mark Application No. UK00003695241 and indicated that the appeal in the above Opposition proceedings was therefore moot. I therefore directed that the listing of the hearing of the appeal on 1 August 2024 be withdrawn from the list.
2. In the same email it was indicated by the Applicant that Eicher Motors Limited (“**the Opponent**”) reserved all its rights with respect to the costs of the proceedings the parties having not been able to reach an agreement in respect of such costs. In this connection it is to be noted that the Hearing Officer had ordered that the Applicant should pay to the Opponent the sum of £1,700 with respect to the costs of the proceedings below.
3. Against that background directions were given by email later on 26 July 2024 as follows:
 - (1) On or before 4 pm on the 2 August 2024 the Opponent must confirm in writing whether or not it wishes to claim costs with respect to the above proceedings and whether any such costs are claimed other than on the standard scale.
 - (2) In the event that the Opponent confirms that they intends (sic) to seek an order of off scale costs then on or before 4 pm on 9 August 2024 the Opponent must (a) provide a statement of costs itemising the actual costs upon which they intend to rely for that purpose; and (b) provide a reasoned statement in support of the request for costs to be awarded on an off scale basis.
 - (3) On or before 4 pm on 23 August 2024 the Applicant should provide any written submissions it would seek to rely in response to the application for costs.

Thereafter, unless the parties request otherwise by 4pm on 30

August 2024, Miss Himsworth will proceed to make a decision in relation to the costs on the basis of the papers before her.

4. In accordance with the directions on 2 August 2024 the Opponent's representatives filed written submissions which in summary maintained:
 - (1) The order for costs made by the Hearing Officer at first instance should not be disturbed.
 - (2) An order for a contribution to the costs with respect to the appeal should be made on the standard scale by the Applicant to the Opponent.
5. In support of the application for costs the Opponent's representatives provided a summary of the work done on behalf of the Opponent but provided no figures for such work. In further support of the application the Opponent relied upon the following matters:
 - (1) That the withdrawal of the trade mark application in issue (thereby rendering the appeal moot) was made very late in the day. That is to say some months after the originally scheduled appeal hearing had taken place on 2 November 2023 and less than one week before the second scheduled appeal hearing on 1 August 2024.
 - (2) The recusal of the Appointed Person took place after the original hearing of the appeal on 2 November 2023 in relation to which all the costs had been incurred.
 - (3) That the Applicant's suggestion that the parties had been communicating on the issue of costs for some time and were close to an agreement was misleading.
6. On this basis it was maintained by the Opponent that an order for costs of the appeal should be *'at the higher end of the scale, for the "preparing statements and considering the other side's statements" and "preparing for and attending a hearing" components, would be appropriate . . . '*
7. In accordance with the directions on 23 August 2024 the Applicant's representatives filed written submissions which in summary:
 - (1) Did not challenge the order for costs made by the Hearing officer at first instance.
 - (2) Maintained that there should be no order as to costs with respect to the appeal.
8. In answer to some of the specific points made by the Opponent and in support of its position that there should be no order as to costs the Applicant maintained that:

- (1) With respect to the recusal of the Appointed Person, this arose in the context of a situation that had no connection whatsoever with Applicant. By contrast the facts that gave rise to the recusal arose in the context of a non-business related connection between the Appointed Person who had heard the appeal and the Opponent after the hearing but before any decision had been issued. In this connection I note that quite rightly the Opponent accepted in its submissions that the Applicant was entitled to object to the Appointed Person's continued involvement in the appeal if it considered that it was appropriate to do so. In the event, in the light of the objection maintained by the Applicant, whilst the Appointed Person did not accept the objection, he nonetheless took the view that he should recuse himself and therefore did not issue a decision on the appeal that he had heard. Against that background it was maintained that it would be inequitable for the Applicant to bear the Opponent's costs in relation to the appeal.
 - (2) There had been ongoing negotiations between the parties in the course of 2024 and that the proposal to withdraw the trade mark application was made prior to the preparations of most if not all for the second hearing of the appeal.
9. Neither side requested a hearing and accordingly I have made this Decision on Costs on the basis of the papers before me.
10. As I have set out above there is no dispute that the Applicant should pay to the Opponent the sum of £1,700 with respect to the proceedings at first instance.
11. I have carefully considered the submissions of both parties with respect to the costs of the appeal. It is no doubt unfortunate that it was necessary for the Appointed Person to recuse himself after the hearing of the appeal but before issuing a decision. However, it is also the case that there is no suggestion in the submissions of the Applicant that the negotiations had any bearing on the costs that were incurred with respect to that hearing or that those costs could have been avoided by the Opponent.
12. Whilst I note that the Applicant refers to various proposals to resolve the appeal it is also clear that it could have withdrawn the application for the trade mark at any point, including prior to the first hearing of the appeal. However the Applicant chose not to do so until just before the second hearing of the appeal that was listed before me.
13. In the circumstances it does not seem to me that the Applicant is correct that in the context of this particular appeal, these factors are such as to disentitle the Opponent to *any* contribution to the costs of the appeal that it might otherwise be entitled to i.e. where the Opponent has as a result of the withdrawal of the trade mark application achieved what it had as a result of the decision at first instance.
14. It therefore seems to me that the Opponent is entitled to a contribution towards its costs. I have considered all the facts and matters that have been put before me and have taken account of the scale of costs relied upon by the Opponent. In the circumstances and in the exercise of my discretion I have concluded that it is

appropriate to order the Applicant to pay to the Opponent a contribution of £1,500 with respect to its costs of the appeal. These costs are in addition to the sum of £1,700 ordered by the Hearing Officer below.

15. I therefore order that Santa Cruz Bicycles LLC pay to Eicher Motors Limited the sum of £3,200 on or before 4 pm on 23 September 2024.

Emma Himsworth KC

Appointed Person

9 September 2024