BL O/0952/24

TRADE MARKS ACT 1994

DECISION ON COSTS

IN THE MATTER OF TRADE MARK APPLICATION NO. 3872959

BY MEMORIAL AT PENINSULA LTD

TO REGISTER THE TRADE MARKS:

(Series of 2)

IN CLASS 41

AND

IN THE MATTER OF OPPOSITION THERETO

UNDER NO. 440681

BY THE SECRETARY OF STATE FOR DEFENCE

This decision follows the interlocutory hearing that took place before me via telephone conference, on Monday 23 September 2024, in order to consider a request for off-scale costs in these proceedings.

Mr Christopher Shea of Defence Intellectual Property Rights, appeared on behalf of The Secretary of State for Defence ("the opponent"); and Mr Stephen Barrett, a litigant in person, appeared on behalf of MEMORIAL AT PENINSULA LTD ("the applicant"). Also in attendance was Ms Julie Rosser, a former Director of the applicant, who spoke on behalf of Mr Barrett during the hearing.

BACKGROUND

1. On 31 January 2023, the applicant applied to register in the UK the series of two trade marks shown on the cover page of this decision ("the contested marks"). The application was published in the Trade Marks Journal for opposition purposes on 10 February 2023, in respect of services in Class 41.

2. On 5 May 2023, the opponent filed a notice of opposition, opposing the application in full, under sections 3(4), 4(4), 3(5) and 3(6) of the Trade Marks Act ("the Act").

3. On 2 June 2023, the Tribunal informed the opponent that their statement of grounds contained a number of deficiencies and that an amended statement of grounds would be required. The opponent refiled an amended statement of grounds on 15 June 2023. On 13 July 2023, the Tribunal informed the opponent that whilst their amended statement of grounds had been adequately pleaded, an amended Form TM7 was required in order to reflect the correct name of the applicant. In addition, the opponent was informed that they could apply for security of costs. On 14 July 2023, the opponent filed an amended Form TM7 and requested security of costs in the case.

4. On 18 September 2023, the opponent's Form TM7 was admitted into the proceedings and served on the applicant and a deadline was set for the applicant to file their Form TM8 and counterstatement. On the same date, the parties were informed that the opponent's security of costs request could only be considered when, and if, the applicant filed their Form TM8 and counterstatement.

5. On 16 November 2023, the applicant filed a Form TM8 and counterstatement defending their application. However, as the Form TM8 contained a number of deficiencies the Tribunal wrote to the applicant on 23 November 2023, inviting them to file an amended TM8 and counterstatement.

6. On 8 December 2023, the applicant filed an amended Form TM8 and counterstatement addressing the outstanding issues, and in addition, filed a request for security of costs. On 12 December 2023, the Tribunal informed the parties that a short period of time would be provided for them to reach an agreement with regards to their security of costs claims. The parties were informed that if they failed to reach an agreement and either party wished to maintain their request, the Tribunal could intervene by issuing a preliminary view on the matter. In this regard, the parties were informed that if either party contested the preliminary view, a hearing would be appointed in order to determine the issue of security of costs.

7. As the parties failed to reach an agreement on security of costs, on 16 January 2024, the Tribunal wrote to the parties, an extract from which stated as follows:

> "The Tribunal has considered the matter and has not been made aware of any justification for granting an order to cover the opponent's liability of costs, whereas the opponent has demonstrated in their security of costs request dated 14 July 2023 that the applicant appears to have little in the way of non-fixed assets and therefore this would appear insufficient to cover a minimum scale award. On this basis, it is the Registry's preliminary view that security of costs for the sum of £3375 are appropriate in this instance.
>
> Security to the amount of £3375 to cover the applicant's liability for costs is calculated as follows:

TM7 fee	£200
Preparation of a statement and consideration of the other side's statement	£375

Preparing, considering and commenting on evidence	£900
Preparing for/attending a hearing	£1900

A period of one month until 16 February 2024 has been allowed for the applicant to pay the security of costs."

8. In response, the applicant sent email submissions dated, 23 January 2024, stating the following:

> "We can confirm that surety will be paid to the IPO Account, however the opponents have offered no surety whatsoever, what guarantee do we have that our surety will be returned if the opponent's argument is not received in their favour, given that we the Applicants will hold for equitability in all matters.
>
> Moving onto equitability, we are a little perturbed that the Opponent Mr Shea, representing the Secretary of State for Defence, has not been forthcoming in offer [sic] surety to us on these matters; we trust that should the case be favourable in relation to our Application that they the opponents will indeed pay us the same mutual respect and cover our costs, we have asked respectfully for surety without response.
>
> Furthermore, we would like to exercise our rights in law albeit a civil matter to have a hearing in which all parties attend, we request a tribunal hearing in relation to the issue before us, the matter of the Trademark."

9. On 25 January 2024, the Tribunal wrote to the applicant confirming that if the opposition is unsuccessful the security of costs would be returned to them. Furthermore, with regards to the applicant's comment that the opponent should also provide security of costs, the Tribunal informed the applicant that, as previously stated in the official letter of 16 January 2024 (as shown above), the Tribunal has not been made aware of any justification for granting an order to cover the opponent's liability of costs. However, in this regard the Tribunal added that they would consider making

an award to the successful party in the final decision, adding that if proceedings concluded without reaching a final decision the Tribunal would only consider making an award if a specific request is made to it within a reasonable time. The Tribunal's letter also contained the following information:

> "You will have the opportunity to request a main hearing following the conclusion of the evidence rounds. The evidence timetable will be set following the satisfactory conclusion of the security of costs matter.
>
> However, if you are requesting a hearing to specifically challenge the Registry's preliminary view that security to the amount of £3375 to cover the applicant's liability for costs is appropriate, such a request should be made on, or before, 30 January 2024.
>
> If no response is received by this date, the preliminary view will automatically be confirmed."

10. On 29 January 2024, the Tribunal wrote to the parties confirming receipt of the applicant's security of costs payment of £3,375. In addition, they also set the timetable for the evidence/submissions rounds.

11. On 9 April 2024 the Tribunal wrote to the opponent informing them that as they had neither filed evidence or requested additional time within which to do so, their opposition would shortly be deemed withdrawn in respect of the section 3(4), 4(4), 3(5) and 3(6) grounds, in accordance with 20(3) of the Trade Marks Rules 2008.

12. On 19 April 2024 the opponent filed a Form TM9R requesting a retrospective extension to the deadline of 2 months. The opponent explained that the deadline for filing evidence had been inadvertently overlooked. In response, whilst the Tribunal agreed to the extension of time request, it was felt that the reasons and information provided by the opponent were not sufficient to enable the Registrar to exercise its discretion to allow the full extension of time requested.

13. On 14 June 2024, the opponent withdrew its opposition which was also communicated to the parties in the Tribunal's official letter of 18 June 2024. Furthermore, on the same date, the applicant was informed that their payment of £3,375, for the security of costs would be returned.

14. On 4 July 2024 the applicant wrote to request an award of costs and submitted the following cost proforma:

Tribunal Cost Pro Forma

Form types	**Time spent in hours/minutes**
Notice of Opposition OP000440691	14
Notice of Cancellation	9269 (calculated at time lost of T.M usage due to Opposition
Notice of Defence	34 (inc Legal Research)
Considering forms filed by the other party	21
TOTAL	9338 (69 actual hours, Not included of Cancellation

Official fees for the above forms	
TOTAL	NiL

Preparing evidence/written submissions and considering and commenting on the other side's evidence/written submissions

Description of activity	**Time spent in hours/minutes**
TM8	6
Defence Statement/Bundles	40
Secretarial	24
Phone Calls	2
TOTAL	72

Preparing for a hearing

Description of activity	**Time spent in hours/minutes**
meetings 3x 5 Hours	15
TOTAL	15

Other Expenses

Description of activity	**Time spent in hours/minutes**
Travel over 3 Days	30
TOTAL	30

P.T.O.

Intellectual Property Office is an operating name of the Patent Office DPS-004209

Hotel Meeting Fees = 228.00
Stationary Fees = 25.31
Fuel & Tolls = 126.00
Postage = 24.00
Graphic Designs = 50.00
Stationary = 32.40
Out of Pocket Expenses =150.00

Total Claimed = 635.71

Plus Surety of Costs = 3375.00

Interest to be added on surety of costs at bank base rate, due to time extensions by the Oppositions extension of time.

N.B:- This does not include any forecast for Psychological damage or loss of earnings.
It is my considered opinion that the Oppositions claim plus extensions was a delay tactic and thus a retaliatory claim.

15. On 10 July 2024 the Tribunal wrote to the opponent inviting them to comment on the applicant's award of costs request. The opponent chose not to respond on the matter.

16. With regard to the applicant's request for an award of costs, on 2 August 2024 the Tribunal wrote to the parties issuing the following preliminary view:

> "The Registry has considered the request for costs, and after reviewing the file, it is the preliminary view of the Registry that an award of £380.00 in favour of the applicant would be appropriate. This amount is reached as follows:
>
> | | |
> |---|---|
> | 14 hours to consider the TM7 Notice of opposition @£19 an hour | £266.00 |
> | 6 hours to file a Form TM8 and counterstatement @£19 an hour | £114.00 |
> | TOTAL | £380.00 |
>
> Please note, any award of costs is considered to be on a contributory not compensatory basis. Also, the tribunal is unable to award costs for legal research or for things such as hotel meeting fees, stationary, fuel and tolls, postage, graphic designs and other out of pocket expenses.
>
> I refer you to Tribunal Practice Notice (TPN) 1/2023 for official guidance on costs in tribunal proceedings.
> https://www.gov.uk/government/publications/tribunal-practice-notice-tpn-12023-costs-in-proceedings-before-the-comptroller
>
> 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 16 August 2024.
>
> If no response is received within the time allowed, the preliminary view will automatically be confirmed."

17. On 11 August 2024 the applicant wrote to the Tribunal stating that the amount proposed by the Tribunal is not an equitable financial resolve, based on the following:

“Given that all opportunities to delay the due process were exercised by the Applicant [sic].

This in itself, along with the financial surety we had to provide, was not equitable, given there was no match for match surety paid, and no compensation award paid to Memorial at Peninsula Limited by the other party. Had it been a different conclusion our surety would have been paid to them. We however have not been compensated, which was the purpose of surety, according to the IPO Officer when the need for surety was discussed.

This in itself brings forward an issue of equitability. The offer that has been put forward is not a match for match scenario thus raises the lack of equitability before us.

During the course of time, that the decision was ongoing and the opposition to the Trademark an issue before the IPO, the Director had to seek legal advice, thus incurring costs, those costs amidst other losses, such as Travel associated and related to the costs of preparing the forms, out-way the payment received from the IPO.

Whilst we concur that the IPO are not solely responsible to offer any compensation and award; this does not remove the involvement of your decision makers, in as much as Memorial at Peninsula Ltd, a not for profit company were instructed to make a payment of surety, this was an inequitable action requested by the Applicant [sic], one that was not a match for match situation, this due to time extensions given to the Applicant [sic] Mr C Shea, a Representative for the Secretary of Defence (not named in his official title as,) “ the honourable ….” did not have to offer surety.

The above is in our considered opinion full of less than equitable decisions, moving forward I ask respectfully that you provide me with the following:

A full work address for the Applicant [sic], Proof of Identity, Proof of Occupation, a signed letter from the then Honourable Secretary of Defence, he/she of whom was represented.

A list of damages that can be sort in light of the inconvenience and costs incurred, in regard to this issue, notwithstanding the losses, due to the inactivity of the trademark, given it took so long for a decision.

We are mindful that although we now have our trademark that the Applicant [sic] has not disputed the other Marks, that flood the Market and are in sale making profitable gains, this brings forward a new scenario of a "Witch Hunt", towards the one company that's sole purpose is to protect a cap badge.

Please afford me with the requested information, this information is sought by way of a legitimate purpose to bring closure in an equitable way."

18. On 12 August 2024 the Tribunal replied to the applicant with the following:

"The opponent and their representative's details can be found at Boxes 3 and 4 of the TM7 form that you were sent on 18 September 2023. I enclose a further copy for your convenience.

I refer you to Tribunal Practice Notice (TPN) 1/2023 for official guidance on costs in tribunal proceedings and our scale of costs is at Annex A: https://www.gov.uk/government/publications/tribunal-practice-notice-tpn-12023costs-in-proceedings-before-the-comptroller

If you disagree with the preliminary view, you must request a hearing on, or before, 16 August 2024.

If you do not request a hearing within the time allowed, the preliminary view will automatically be confirmed and an Order for payment of Costs of £380.00 will be issued thereafter."

19. On 14 August 2024, the applicant requested a hearing on the matter.

20. A hearing was scheduled for 6 September 2024, the details of which were sent by the Tribunal to both parties in an official letter dated 14 August 2024. However, following a request from the applicant, the hearing date was rescheduled to 23 September 2024.

21. Prior to the hearing only Mr Barrett filed submissions (on behalf of the applicant).[1] These are summarised as follows:

- We the applicant paid surety in the form of £3375 to cover the costs pre-empted by the opponent;

- The opponent did not pay any sum to the applicant as surety; there was no equitability shown in respect of the applicant;

- The surety breakdown provided by the opponent related to evidence preparation, and other associated costs. The applicant's request for costs included a match for match scenario, which raised a degree of ambiguity;

- The applicant's request for costs have not been fully acknowledged, given the cost award suggested by the Tribunal, on the basis that there has been 16 months of deliberation, which includes an extension granted to the opponent;

- As a result of these proceedings the applicant has incurred 16 months of loss of earnings, ambiguity and stress in relation to the trade mark at issue, which was registered in August 2024, following the withdrawal of the opposition;

- The Tribunal's offer of costs of £380, do not meet the applicant's losses, and is in fact £1,995 short, taking into account the hours spent on completing the TM8. 125 hours was spent compiling the form, which includes preparation hours, secretarial hours, and research hours for consideration of the opponent's

[1] Dated 15 September 2024

submissions, which calculated at the lower award rate of £19 per hour, equates to £2,375;

- The security of costs of £3,375 paid by the applicant was held by the IPO for a period of 7 months, which equates to 7 months of lost interest from the bank, resulting in another loss for a not-for-profit organisation. Given the UK Chancery's Bank rate is 8% the applicant feels that this loss of interest has not been sufficiently considered;

- The applicant should be afforded the same respect as the opponent in order to readjust the balance in relation to the loss of interest incurred due to the applicant's money being held in surety, and as such a payment of £200 is also requested to cover the loss of interest.

The Hearing

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 the applicant's written submissions (as summarised above) and reminded the parties that costs in Tribunal cases are contributory and not compensatory.

23. Ms Rosser reiterated the points set out in Mr Barrett's submissions of 15 September 2024 (as summarised above).

24. In addition, Ms Rosser pointed out that the applicant is a non-profit organisation and despite Mr Barrett having a full-time job he also carries out work for the applicant on a voluntary basis. Ms Rosser explained that whilst it is understood that the Tribunal's award of costs is not intended to be compensatory or cover hotel, meeting and travel expenses, etc., it was important to recall that Mr Barrett is not an advocate and therefore was unfamiliar with the filing of the Form TM8 and defence process and as such conducted many hours of research in order to

provide a response to the opponent's claims, adding that Mr Barrett had to work very long hours over a period of 3 weeks, equating to 125 hours over that period. On this basis Ms Rosser submitted that taking into account the amount of hours stated, namely 125, at £19 per hour, the off-scale cost amount of £2,375, including the sum of £200 to cover the loss of interest on the money paid for surety is justified.

25. Furthermore, Ms Rosser pointed out that following a request from the opponent, the applicant was asked to provide security of costs amounting to the sum of £3375. Whilst she confirmed that this amount had been returned to the applicant following the withdrawal of the opposition, this was 7 months after it had been paid, and therefore the applicant had suffered a loss of interest on its money during this period.

26. Ms Rosser explained that during the opposition process the opponent had requested an extension to the time limit which appeared excessive and only served to prolong the proceedings and further disadvantage the applicant who felt unable to use their unregistered trade mark whilst it was opposed. Ms Rosser commented that the extension of time was requested by the opponent because they had failed to adhere to an original deadline set by the Tribunal, adding that the opponent's actions ultimately resulted in a loss of interest on the security of costs money paid by the applicant and also a loss of potential earnings caused by non-use of the trade mark due to the proceedings.

27. Ms Rosser concluded by stating that whilst the applicant is not disregarding the Tribunal's cost scales, for the reasons already mentioned, the applicant is of the view that the Tribunal's award of costs of £380 is insufficient.

28. On the matter of requests for extensions of time during proceedings, Mr Shea commented that such requests are quite ordinary and regularly occur in opposition proceedings. He added that opposition proceedings can be brought on various grounds, from simple identical trade marks being registered for identical goods to the more complicated provisions, which were the ones relied on by the opponent in these proceedings. He explained that as this was a bad faith case, in such cases, the Tribunal require more extensive evidence to be filed and therefore, extensions of time are often required.

29. With regard to the security of costs payment, Mr Shea explained that this was only requested because originally, when the opposition was filed, the trade mark at issue had been jointly held by Mr Barrett and the applicant, and after proceedings had been initiated, Mr Barrett surrendered his part ownership of the trade mark, leaving the sole ownership in the applicant's name and it was evident that the applicant would not be able to meet any costs, so, as was the opponent's right, a request for security of costs was accepted by the Tribunal. He added that as the security of costs had now been returned to the applicant, there is no reason why the applicant should be compensated for this.

30. With regards to the applicant's claim for off-scale costs, Mr Shea pointed out that the applicant would not have faced legal fees on the basis that they were not legally represented, and furthermore, as the opponent had withdrawn its opposition prior to the evidence rounds, there was only an exchange of pleadings between the parties to take into account. On this point, Mr Shea stated that the pleadings submitted on the opponent's behalf were, in his opinion, short and clear with only four grounds raised under the Act, whereas, Mr Barrett's submissions, filed on behalf of the applicant, contained a lot of material, some of which was not relevant to the proceedings. He added that whilst he appreciates that Mr Barrett is not a legal professional, his response to the opponent's claims should have been relatively short. On this basis, Mr Shea stated that in his opinion an off the scale contribution award to the applicant is not warranted.

31. In response to Ms Rosser's comments that the opponent's extension of time request had caused a delay in the applicant using their mark in trade, Mr Shea pointed out that during opposition proceedings a delay in registering a trade mark is not compensable under the Tribunal practice. Furthermore, he added that there was nothing preventing the applicant from using their unregistered mark during the opposition proceedings.

32. In conclusion, Mr Shea submitted that the off-scale cost award claimed by the applicant is wholly excessive, and as the case did not proceed beyond the pleadings stage, he was of the view that only the absolute bottom of the scale cost award should

be paid. In this regard, he noted that the Tribunal's cost award offer of £380 was a little higher than this and should be deemed sufficient.

33. At the conclusion of the hearing, I reserved my judgment to give me an opportunity to reflect on the submissions made by both parties.

Legislation and Guidance

34. 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. […]"

35. 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."

36. Tribunal Practice Notice (TPN) 1/2023, at Annex A, sets out the scale of costs applicable:

Task	Costs
Preparing a statement and considering the other side's statement	From £250 to £750 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 (including procedural hearings) or submissions-in-lieu	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

37. This TPN brings together and updates the guidance from previous TPNs about costs in trade mark tribunal proceedings (the previous TPNs being 2/2016, 2/2015, 4/2007 & 2/2000). It also updates the scale of costs. With regards to "off-scale costs" TPN 1/2023 sets out the following:

> "**Off-scale costs**
>
> 5. 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.

6. 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."

38. With regard to 'unrepresented parties' TPN 1/2023 sets out the following:

"**Unrepresented parties**

4. 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)."

Decision

Off-scale costs

39. After taking all of the above into account, I do not find merit in the applicant's submissions to justify off-scale costs for the following reasons:

- Both parties have the right to request extensions of time, and in this case, there is nothing before me to indicate that the extension granted to the opponent, which only amounted to two months, was tactical or was an attempt to delay the proceedings intentionally. It was clearly requested to collate evidence for its section 3(4), 4(4), 3(5) and 3(6) grounds. Furthermore, on the matter of extension of time requests, I note that Ms Rosser states that the opponent requested two extensions, however, from the papers I have before me, I am only aware of one extension request being granted, namely the one requested by the opponent in their Form TM9R filed on 19 April 2024.

- Whilst Ms Rosser argued that the opponent's extension of time request had prolonged proceedings leading to a delay in the applicant using its mark prior to the subsequent withdrawal of the opposition, there were other causes of delay such as *both* parties requesting security of costs. This resulted in the parties being given time to reach an agreement outside of the tribunal, which ultimately failed, and led to the Tribunal awarding only security for costs for the opponent. Ultimately, it was open to both parties to make such a request, but it caused a delay of 47 days (which is only 13 days less than the opponent's extension of time "delay").

- There is no provision to award costs to a party for the delay in being able to use their mark. I also note that section 38(1) of the Act states that "when an application for registration has been accepted, the registrar shall cause the application to be published in the prescribed manner". The "prescribed manner" that section 38(1) refers to is the publication of the application in the Trade Marks Journal. Once it is published, there is an initial 2-month period (the

opposition period) in which anyone can make observations on the trade marks acceptance, or oppose its registration. This is also outlined in the Tribunals letter which is headed "Advertisement of a Trade Mark Application" which includes the following wording: "*If you proceed, your application will be published in the online Trade Marks Journal and anyone can oppose it should they consider they have grounds to do so. If such action were to be successful, this would likely result in a costs award against you*." Therefore, the Tribunal makes it clear from the onset that an applied for mark could be opposed, which for some parties, will delay them from being able to use it.

- The applicant stated that the cost award of £380 did "not meet the applicant's losses", including the "7 months of lost interest from the bank" and all the hours of research spent by Mr Barrett researching the legal process which he is unfamiliar with. However, the applicant chose not to be legally represented and as noted above, costs awarded are to be contributory rather than compensatory, and the above claims are compensatory in number. As highlighted in the TPN above, "*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*".

- Lastly, during the opposition proceedings, the opponent is entitled to withdraw the opposition at any stage, and in this case, the opponent did so in the early stages of the proceedings, prior to the evidence and submissions rounds.

40. Whilst I understand the applicant's frustration in having to defend their application, I do not consider that they suffered any unfair treatment, or that the opponent has caused any unreasonable delays.

41. Accepting that the applicant is entitled to a costs award in their favour, I do not find merit in their submissions 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 1/2023, as shown earlier in this decision.

43. First and foremost, I remind myself that the Tribunal awards costs on a contributory rather than a compensatory basis and particularly the guidance provided in TPN 1/2023 which 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 Mr Barrett, on behalf of the applicant, as a litigant in person, spent time familiarising himself with the relevant law and issues of the case, and the grounds relied upon by the opponent and the one earlier right. 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 opponent's Form TM7 consists of 21 pages, I do not consider the notice of opposition to be particularly complex nor do I consider that the statement of grounds is unnecessarily excessive in length.

46. In terms of the 125 hours claimed for the filing of the Form TM8 and counterstatement, whilst I have no reason to doubt the number of hours said to have been expended by Mr Barrett, given the nature of both the opposition and the defence, the hours claimed are in my view disproportionately high for the task undertaken. As noted above, the applicant's claim of £200 to cover the loss of interest on the security of costs payment is compensatory in nature, and there is no provision to award costs to a party to compensate for a loss of interest on a security of costs payment.

47. Accordingly, given the nature of both the opposition and the defence, I am of the view that the Tribunal's provisional view of 2 August 2024 is to be upheld insofar as awarding the applicant £266, for considering the Form TM7 notice of opposition and statement of grounds (14 hours x £19), and £144 for completing the Form TM8 and counterstatement (6 hours x £19).

48. Additionally, I appreciate that Mr Barrett is a litigant in person, who not being familiar with the relevant authorities, would have been required to undertake some research in order to be able to draft the counterstatement. Accordingly, on balance, I consider that a claim of 3 hours is reasonable in this regard. Therefore, I award the applicant £57 (3 hours x £19).

Overall conclusion on costs

49. 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 Form TM7 and statement of grounds	14 hours
Preparing and completing the Form TM8 and counterstatement	6 hours
Research tasks	3 hours
Total	**23 hours**

50. I hereby order The Secretary of State for Defence to pay MEMORIAL AT PENINSULA LTD the sum of £437 (calculated as 23 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 4th day of October 2024

Sam Congreve
For the Registrar