

**TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No. 83760
BY PRNET
FOR REVOCATION OF TRADE MARK No. 2223630
STANDING IN THE NAME OF
PALMERWHEELER LIMITED**

SUPPLEMENTARY DECISION

1) On 25 September 2012 I issued decision BL O-356-12 in which I proposed a reduced specification which would remain upon the Register. As this was not a simple “blue lining” but a revised specification I gave the parties an opportunity to comment upon my proposal. In addition I also sought submissions regarding costs as the applicant for revocation indicated at the hearing that it would seek costs above the normal scale. Both parties have responded on both issues. I therefore turn to consider the issues raised by the parties.

2) The applicant raised a relatively minor issue about my description of exhibit DW33 at paragraphs 6 & 17 of my decision. I have reviewed the exhibit and find that it is exactly as I describe in my decision. I am at a loss to know why the exhibit I have appears to differ from that described by the applicant, but I must deal with the evidence filed with the Registry. I accept that DW 33 and AS 15 are identical documents, but having reviewed the evidence I do not accept the applicant’s contention that exhibits DW50 and AS 15 are identical. However, I do not believe that either issue materially affects the overall decision.

REVISED SPECIFICATION

3) At paragraphs 27 & 28 of my decision I stated:

“27) I propose to limit the specification to the following:

In Class 9: Computer software relating to award ceremonies; computer software to enable connection to databases and the Internet; computer software to enable searching of data; computer software for use in providing financial services and carrying out financial transactions.

In Class 42: Design, development, maintenance and updating of computer software.

28) The specification I am suggesting is not the result of simple “blue lining” and therefore I intend to give both parties an opportunity to comment upon my proposal. Once I have received these submissions I will make a determinative decision, both on the specification which should remain upon the Register and also those services which are to be revoked. Both parties have one month from the date of this decision to provide said submissions.”

4) The registered proprietor has not commented on the proposed specification other than to state that it accepts my proposal. Once again in this case the registered proprietor's attorneys appear to be confused as to what is expected. In their letter they state:

"4. From the decision, we understand that the subject registration is to be maintained for a range of goods and services in classes 9 and 42. The Registered Proprietor has taken the difficult decision not to appeal this decision and so accepts this list of goods and services. Again we have assumed that we are not being asked to highlight where in the evidence the maintained goods and services are shown as the Hearing Officer has clearly satisfied himself that the genuine use of these goods and services has been established by the evidence. If we have misunderstood this point, we are then unclear why we are not commenting on the other goods and services not maintained in the subject registration, which we have assumed we have not been invited to do."

5) I believe that paragraph 28 of my decision made it abundantly clear to anyone who read it that I was seeking comments from both parties regarding the specification I proposed to maintain and also that part of the specification which was to be removed from the register. I will accept that the Registered Proprietor is content with my proposal and move onto consider the issues raised by the applicant.

6) The applicant contends that the exhibits in relation to the Babolesh project do not show use of "computer software for use in providing financial services and carrying out financial transactions" as the project is described as "people have to barter, borrow, lend and share goods for goods, good for services and vice versa to prosper". However, whilst I accept that the concept of bartering normally involves the exchange of goods and/or services directly without a financial medium, this project does not involve such direct, usually face-to-face exchanges. Instead the description refers to each participant in the digital village having an account. To my mind this suggests that the computer software will mirror that used in financial transactions. Therefore, I do not accept the applicant's contention. However, I do believe that it is appropriate to limit the scope of the specification to that where use has actually been shown.

7) The applicant also contends that the terms "computer software to enable connection to databases and the Internet; computer software to enable searching of data" are too wide. They refer to paragraph 15 of my decision and the comments in *Mercury Communications Ltd v Mercury Interactive (UK) Ltd*. They contend that the terms "data" and "databases" are too broad in the same manner that "software" was considered too broad a term in the above mentioned case. On reflection I agree with this view and I propose to limit the specification relating to the terms "data" and "databases" in much the same manner that I restricted the term software. I therefore determine that the following specification remain upon the Register:

In Class 9: Computer software relating to award ceremonies and digital villages; computer software to enable connection to databases and the Internet in respect of award ceremonies and digital villages; computer software to enable searching of

data in respect of award ceremonies and digital villages; computer software for use in providing financial services and carrying out financial transactions in respect of digital villages.

In Class 42: Design, development, maintenance and updating of computer software relating to award ceremonies and digital villages.

COSTS

8) I now turn to consider the issue of costs. I made a number of comments regarding the conduct of this case in my original decision. The registered proprietor submitted that the revocation action failed as part of the specification remains upon the Register. It also points out that it voluntarily gave up parts of its specification. It also refers to the fact that costs are only a contribution towards the costs of the parties not compensation. Further, it is claimed that the evidence filed was reasonable in its volume, and that the registered proprietor prepared a schedule for both parties to use. It is also suggested that its actions in defending goods and services in classes 9, 35, 38 and 42 were “far from unreasonable”.

9) I fully accept that in the normal course of events costs are awarded to a scale which does not fully compensate but merely contributes towards the costs of the winning party. In the instant case the specification was not voluntarily given up at the start of the proceedings, but only slightly rescinded just prior to the hearing and reduced again after the hearing. The hearing itself was effectively a non-event due to the lack of foresight by the attorneys for the registered proprietor. Regrettably it is often the case that in revocation actions evidence is filed without specific reference to which part of the specification it is seeking to defend. In cases where the specification is restricted, this tends not to be much of an issue. However, in cases such as the instant one, where there is a very large and diverse specification simply filing a raft of evidence and inviting the other party and the Hearing officer to pick out the bones is unacceptable. A schedule, setting out clearly which exhibit is relied upon to support which part of the specification, should be filed as part of the evidence. The skeleton argument should include this for ease of reference. In the instant case neither the evidence nor the skeleton included such a schedule and the registered proprietor’s attorney was not in a position to offer such information at the hearing. In the interests of efficiency the hearing was therefore curtailed and the parties forced to provide submissions in writing once the relevant schedule had been produced. As I stated in my interim decision this meant that the applicant had wasted a lot of effort in preparing for a hearing on a false basis. They had been forced to make assumptions regarding which exhibits the registered proprietor was relying upon to defend each aspect of its specification.

10) Clearly the applicant has been very successful in its revocation action in that the specification is but a pale shadow of what was there at the start of the proceedings. The applicant has provided details of costs which amount to £29, 535.60. Clearly some of these costs would have been incurred in any event irrespective of the actions of the other party. I do not propose to award the applicant its full costs but instead will limit the

award to more accurately reflect the fact that the registered proprietor only surrendered large portions of its specification either just prior to, or shortly after the hearing, when it should have been apparent to the registered proprietor at the start of the proceedings that it had not used the mark in suit upon large swathes of its specification. It could and should have saved a deal of work for everyone by accepting this earlier in proceedings. This was compounded by the work of its representatives in relation to the hearing. The costs of preparing for and attending the hearing were effectively wasted as the applicant had to await the schedule from the registered proprietor and then provide written submissions. The costs related to the hearing were £11,784. I add these costs to the normal costs in relation to preparing a statement and considering the other side's statement; preparing evidence and considering and commenting on the other side's evidence which in a normal case would lead to an award of £1,700. I therefore order Palmerwheeler Limited to pay PRNnet the sum of £13,484. This sum to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 22nd day of January 2013

**G W Salthouse
For the Registrar
The Comptroller-General**