



محكمة قطر الدولية
ومركز تسوية المنازعات
QATAR INTERNATIONAL COURT
AND DISPUTE RESOLUTION CENTRE

In the name of His Highness Sheikh Tamim bin Hamad Al Thani,
Emir of the State of Qatar

Neutral Citation: [2021] QIC (C) 3

IN THE CIVIL AND COMMERCIAL COURT
OF THE QATAR FINANCIAL CENTRE

17 May 2021

CASE No: 8 of 2020

JOHN AND WIEDEMAN LLC

Claimant

v

INTEGRATED INTELLIGENCE SERVICES AND TRADING LLC

Defendant

COSTS ASSESSMENT

Before:

Mr. Christopher Grout, Registrar

JUDGMENT

Introduction

1. This costs assessment arises as a result of the judgment of the First Instance Circuit of the Court (Justices Robertson, Arestis, and Al Anezi), dated 6 April 2021 and reported at [2021] QIC (F) 10. The case concerned the non-payment of legal fees by the Defendant to the Claimant. Having considered the matter on the papers, i.e. without an oral hearing, the Court gave judgment for the Claimant in the sum claimed, namely USD 38,775.00 plus interest. I understand that that sum has since been paid. The Court also awarded the Claimant its reasonable costs, to be assessed by the Registrar if not agreed. The parties have been unable to reach agreement and so the matter has been referred to me for assessment.
2. On 21 and 26 April 2021, the Claimant filed its submissions in support of the assessment; the Defendant filed brief submissions in response on 5 May 2021. As I am afforded a “wide discretion”¹ as to the procedure to be adopted when undertaking an assessment, on the basis of proportionality and expediency I considered the matter on the basis of the written submissions, i.e. without an oral hearing, neither party having suggested that an oral hearing was appropriate.

The Principles to be Applied

1. In *Hammad Shawabkeh v Daman Health Insurance Qatar LLC* [2017] QIC (C) 1, I laid down the principles to be applied when assessing ‘reasonable costs’. At paragraphs 10-12 of my Costs Assessment, dated 5 March 2017, I said:

¹ *Hammad Shawabkeh v Daman Health Insurance Qatar LLC* [2017] QIC (F) 1, at paragraph 21. That principle was not interfered with by the Appellate Division of the Court in the same case in its judgment dated 11 September 2017, reported at [2017] QIC (A) 2.

How is the issue of reasonableness to be approached? In my judgment, in order to be recoverable costs must be both reasonably incurred and reasonable in amount. If they are not then they are unlikely to be recoverable.

I have identified the following (non-exhaustive) list of factors which will ordinarily fall to be considered when assessing whether or not costs have been reasonably incurred by a party and, if they have, whether they are also reasonable in amount:

- (a) Proportionality;*
- (b) The conduct of the parties (both before and during the proceedings);*
- (c) Efforts made to try and resolve the dispute without recourse to litigation (for example through Alternative Dispute Resolution);*
- (d) Whether any reasonable settlement offers were made and rejected; and*
- (e) The extent to which the party seeking to recover costs has been successful.*

When considering the proportionality factor, the following (again non-exhaustive) factors are likely to fall to be considered:

- (a) In monetary or property claims, the amount or value involved;*
- (b) The importance of the matter(s) raised to the parties;*
- (c) The complexity of the matter(s);*
- (d) The difficulty or novelty of any particular point(s) raised;*
- (e) The time spent on the case;*
- (f) The manner in which work on the case was undertaken; and*
- (g) The appropriate use of resources by the parties including, where appropriate, the use of available information and communications technology.*

2. Those principles were, upon review by the First Instance Circuit of the Court, approved.² In the present case, neither party sought to suggest in their written submissions that those principles should not be applied here.

² *Hammad Shawabkeh v Daman Health Insurance Qatar LLC* [2017] QIC (F) 1, at paragraph 20. The decision of the Court to approve those principles was not interfered with by the Appellate Division of the Court in the same case in its judgment dated 11 September 2017, reported at [2017] QIC (A) 2.

The Parties' Submissions

3. The Claimant (a law firm) claims USD 19,425.00 in litigation fees and USD 52.04 in disbursements. The litigation fees comprise just over 43 hours work spent preparing the case and drafting documents at a rate of USD 450 per hour. An accompanying schedule provides a breakdown of the time spent undertaking various tasks. The disbursements claimed simply refer to “copies”.
4. As to the time spent, the Claimant submits that it needed to prepare three sets of submissions (including in response to a jurisdictional challenge raised by the Defendant) and collate approximately 170 exhibits. This was necessary because the Claimant needed to establish its relationship with the Defendant which had come about in a less than formal way.
5. The Claimant’s lawyer, Mr. Daillet, is employed by the Claimant. He has more than 24 years of experience and was best placed to bring this claim on behalf of the Claimant as he was the one who had knowledge of the history of the relationship between the two parties. The Claimant says that Mr. Daillet’s hourly rate is reasonable when one considers the rates charged by comparable law firms based in Qatar.
6. The Claimant also draws attention to certain aspects of the Defendant’s behaviour. It says that the need for litigation was solely because the Defendant refused to honour its obligation to pay for the Claimant’s services which it had had the benefit of. It says that the Defendant failed to engage, in any meaningful way, with the Court, elongating the process and therefore increasing cost.
7. The Defendant submits that the Claimant’s costs are “exorbitant and contrary to reality and the truth”. It says that no fees were actually incurred as the Claimant, in effect, represented itself. The Defendant suggests that one hour of preparation, as opposed to the 43 hours claimed, would be reasonable.

Analysis

8. I have, on a number of occasions now, opined that law firms that represent themselves in civil proceedings before the Court are, if awarded their reasonable costs, entitled to claim at their professional rates, subject to those rates being reasonable: see, for example, *Dentons & Co (QFC Branch) v Bin Omran Trading & Contracting LLC* [2020] QIC (C) 3 and *Pinsent Masons LLP (QFC Branch) v Al Qamra Holding Group* [2018] QIC (C) 1. I do not, therefore, accept the Defendant's contention that the Claimant is not entitled to recover any costs because it has not incurred them. It has incurred them by virtue of the fact that one of its lawyers, namely Mr. Daillet, has pursued this matter on behalf of the Claimant when he could doubtless have been doing other things. Moreover, the Claimant has used its own lawyer rather than instructing an external law firm (the costs of which, subject to issues of reasonableness, would be recoverable).
9. Whilst I am not bound to accept that a particular law firm's published rates are automatically reasonable, in the absence of a fixed costs regime or regulations which deal with recoverable legal fees following litigation before the Court, the best I can do is consider whether the hourly rate charged in the present case is broadly in line with other cases I have dealt with. The hourly rate of USD 450 is, in fact, markedly below the rates charged by comparable lawyers in comparable law firms in Qatar in some of the other cases I have had occasion to deal with. I am satisfied that the hourly rate of USD 450 is reasonable.
10. As to the number of hours claimed, the Defendant's suggestion that one hour's preparation should be regarded as sufficient is, in my view, wholly unrealistic. The Claimant had to prepare and file the claim, respond to a jurisdictional challenge raised by the Defendant, and prepare and file its witness statements and evidence in response to the directions of the Court. Fortunately, a hearing was avoided as the Court was able to deal with the matter on the papers.
11. The claim was, or should have been, a very simple one. One of the reasons the Claimant had to compile an unusual amount of evidence for what should have been a very straightforward claim is because it had not formalised its relationship with the

Defendant. Ordinarily, in a case like this, one would expect to see a letter of engagement, and any associated terms and conditions. That did not feature in the present case and so the Claimant had to compile an array of documentary evidence in order to seek to establish the relationship between the parties. No doubt the case has served as a lesson to the Claimant to ensure that its relationships with clients are more formally established. Be that as it may, the Claimant was entitled to put together the evidence it needed to in order to make good its claim.

12. It does seem to me, however, that it was unreasonable to spend 43 hours on what should have been a very simple case. I accept that, to some extent, the Defendant elongated the process through, for example, raising an unmeritorious jurisdictional challenge, but this did not occupy much of the Claimant's time. It is clear from the Claimant's schedule that the vast majority of hours (just over 30) were spent preparing the claim. That strikes me as a lot. All things considered, I have come to the conclusion that it was not reasonable for the Claimant to spend more than 20 hours in total on this case. Accordingly, I will award 20 hours at the rate of USD 450 per hour which equates to USD 9,000. The claim for disbursements is unparticularised and unsubstantiated and so I disallow it.

Conclusion

13. For the reasons given above, the Defendant shall pay to the Claimant the sum of USD 9,000.

By the Court,



Mr. Christopher Grout

Registrar

