

O-319-18

TRADE MARKS ACT 1994

IN THE MATTER OF REGISTRATION No. 3118418

STANDING IN THE NAME OF

DEFINITIVE PSA LIMITED

AND

IN THE MATTER OF A REQUEST FOR A DECLARATION

OF INVALIDITY THERETO UNDER No.501520

BY THE SECURITY GROUP (NATIONAL) LIMITED

AND

IN THE MATTER OF APPLICATION Nos. 3164839 & 3164847

BY THE SECURITY GROUP (NATIONAL) LIMITED

TO REGISTER THE TRADE MARKS



IN CLASSES 9, 11, 37, 42 & 45

AND

TSG

IN CLASSES 9 & 45

IN THE MATTER OF CONSOLIDATED OPPOSITIONS

THERETO UNDER No. 600000508 & 600000509 BY

DEFINITIVE PSA LIMITED

BACKGROUND

1) The following trade mark is registered in the name of Definitive PSA Ltd (hereinafter DPL):

Mark	Number	Filing & registration date	Class	Specification
TSG	3118418	19.07.15 16.10.15	45	Security, safety and enforcement services; police services; public safety services; security consultancy; security assessment of risks; information, advice and consultancy in relation to all the aforesaid services.

2) By an application dated 18 January 2017 The Security Group (National) Limited (hereinafter SGN) applied for a declaration of invalidity in respect of this registration. SGN contends that it has used the mark TSG since 2010 throughout the UK in respect of Security products and security services. SGN contends that use of the mark in suit on all the services for which it is registered will offend against section 5(4)(a) of the Act.

3) DPL provided a counterstatement, dated 13 March 2017, in which it states that it was incorporated in November 2006 and offered “crowd and risk management, specialising in event security and manned guarding” since this date. It states that SGN was incorporated following a merger in August 2010 and offers “premium security services to leading organisations and government departments throughout the UK”. On 26 April 2011 SGN (at that time TSG National Limited) changed its name to its current form dropping the TSG acronym from its name. In March 2015 DPL launched a new offering to provide “public safety and crime prevention solutions to organisations with direct, or secondary, responsibility for people as a result of their operations”. It states that it was unaware of SGN’s use of TSG at that time. It denies that SGN had goodwill in the mark, and states that it is not distinctive as people will view SGN’s use to refer to its company name (The Security Group) whereas its TSG mark stands for “Tactical Support Group”. DPL also contends that others use TSG in websites and as trade marks. DPL contends that SGN

abandoned the mark TSG in April 2011, and that the services offered by the two companies are different.

4) On 16 May 2016, SGN applied to register the trade mark shown on the front cover in respect of the following goods and services:

In Class 9: Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; compact discs, DVDs and other digital recording media; mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment, computers; computer software; fire-extinguishing apparatus; electrical, optical, magnetic and electronic security apparatus and instruments; security control apparatus and instruments; security warning apparatus and instruments; apparatus and instruments for monitoring, testing and controlling building or site security and heating, cooling, ventilating, environmental control and lighting systems; computer hardware and software; computer hardware and software for monitoring, testing and controlling building or site security and heating, cooling, ventilating, environmental control and lighting systems; access control apparatus and instruments; electrical switching apparatus and electrical control apparatus; electrical and electronic testing and monitoring apparatus; optical apparatus and instruments; CCTV apparatus and installations; video cameras; monitors; telephones; video telephones; door phones; intercom systems; video communications apparatus and instruments; radio transmitters and receivers; pagers; alarm systems; intruder alarms; fire alarms; smoke alarms; beacons; alarm bells; infra-red detectors; sirens; air analysis apparatus; answering machines; anti-theft warning apparatus; audio and video receivers; computer peripheral devices; downloadable computer software applications; digital signs; electrified rails for mounting spot lights; electrified fences; electronic tags for goods; encoded magnetic cards; encoded key cards; heat regulating apparatus; intercommunication apparatus; limiters [electricity]; electric locks; measuring apparatus and instruments; measuring devices, electric; optical character readers; optical data media; regulating apparatus, electric; scanners [data processing equipment]; sound

recording carriers and apparatus; sound locating instruments; walkie-talkies; parts, fittings and accessories for all the aforesaid goods.

In Class 11: Apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes; lighting apparatus and installations; security lighting and security lighting apparatus and installations; ventilation apparatus and installations; heating and cooling apparatus and installations; parts, fittings and accessories for all the aforesaid goods.

In Class 37: Building construction; installation, monitoring, repair and maintenance of security and alarm systems, apparatus, instruments and installations,; installation, monitoring, repair and maintenance of apparatus and instruments for monitoring, testing and controlling building or site security and heating, cooling, ventilation, environmental control and lighting systems; installation, monitoring, repair and maintenance of computer hardware and software for monitoring, testing and controlling building or site security and heating and lighting systems; installation, monitoring, repair and maintenance of apparatus and installations for controlling access to a building or site; monitoring, repair and maintenance of apparatus and installations for CCTV apparatus and installations; air conditioning apparatus installation and repair; building construction supervision; burglar alarm installation and repair; cleaning of buildings [interior]; cleaning of buildings [exterior surface]; construction information; construction consultation; electric appliance installation and repair; lift installation and repair; factory construction; film projector repair and maintenance; fire alarm installation and repair; freezing equipment installation and repair; heating equipment installation and repair; installation, maintenance and repair of computer hardware; installation of doors and windows; advice, assistance and information relating to all the aforesaid.

In Class 42: Scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware and software; scanning of packages and documents; cloud computing; computer rental; computer programming; computer software design; rental of computer software; computer system analysis; computer system design; computer software consultancy; consultancy in the design and development of computer hardware; creating and maintaining web sites for others; data conversion of computer programs and data;

duplication of computer programs; electronic data storage; hosting web sites; information technology consultancy; providing information on computer technology and programming via a web site; installation of computer software; maintenance of computer software; monitoring of computer systems by remote access; off-site data backup; outsource service providers in the field of information technology; quality control; recovery of computer data; research and development of new products for others; server hosting; software as a service [SaaS]; technological consultancy; updating of computer software; rental of web servers; web site design consultancy; advice, assistance and information relating to all the aforesaid; including (but not limited to) all the aforesaid services provided online, and/or provided for use with and/or by way of the Internet, the world wide web and/or via communications, telephone, mobile telephone and/or wireless and/or wired communication networks.

In Class 45: Security services; monitoring of security systems; remote monitoring of security systems; security services for buildings and sites; security services for the protection of property and individuals; monitoring of burglar and security alarms; security consultancy; rental of security apparatus and instruments; rental of security surveillance apparatus and instruments; opening of security locks; guard services; night guard services; personal body guarding; baggage inspection for security purposes; advice, assistance and information relating to all the aforesaid; including (but not limited to) all the aforesaid services provided online, and/or provided for use with and/or by way of the Internet, the world wide web and/or via communications, telephone, mobile telephone and/or wireless and/or wired communication networks.

5) On 16 May 2016, SGN applied to register the trade mark **TSG** in respect of the following goods and services:

In Class 9: Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; compact discs, DVDs and other digital recording media; mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment, computers;

computer software; fire-extinguishing apparatus; electrical, optical, magnetic and electronic security apparatus and instruments; security control apparatus and instruments; security warning apparatus and instruments; apparatus and instruments for monitoring, testing and controlling building or site security and heating, cooling, ventilating, environmental control and lighting systems; computer hardware and software; computer hardware and software for monitoring, testing and controlling building or site security and heating, cooling, ventilating, environmental control and lighting systems; access control apparatus and instruments; electrical switching apparatus and electrical control apparatus; electrical and electronic testing and monitoring apparatus; optical apparatus and instruments; CCTV apparatus and installations; video cameras; monitors; telephones; video telephones; door phones; intercom systems; video communications apparatus and instruments; radio transmitters and receivers; pagers; alarm systems; intruder alarms; fire alarms; smoke alarms; beacons; alarm bells; infra-red detectors; sirens; air analysis apparatus; answering machines; anti-theft warning apparatus; audio and video receivers; computer peripheral devices; downloadable computer software applications; digital signs; electrified rails for mounting spot lights; electrified fences; electronic tags for goods; encoded magnetic cards; encoded key cards; heat regulating apparatus; intercommunication apparatus; limiters [electricity]; electric locks; measuring apparatus and instruments; measuring devices, electric; optical character readers; optical data media; regulating apparatus, electric; scanners [data processing equipment]; sound recording carriers and apparatus; sound locating instruments; walkie-talkies; parts, fittings and accessories for all the aforesaid goods.

In Class 45: Security services; monitoring of security systems; remote monitoring of security systems; security services for buildings and sites; security services for the protection of property and individuals; monitoring of burglar and security alarms; security consultancy; rental of security apparatus and instruments; rental of security surveillance apparatus and instruments; opening of security locks; guard services; night guard services; personal body guarding; baggage inspection for security purposes; advice, assistance and information relating to all the aforesaid; including (but not limited to) all the aforesaid services provided online, and/or provided for use with and/or by way of the Internet, the world wide web and/or via communications, telephone, mobile telephone and/or wireless and/or wired communication networks.

6) The two applications were examined and accepted, and subsequently published for opposition purposes on 29 July 2016 in Trade Marks Journal No.2016/031.

7) On 31 October 2016 DPL filed two notices of opposition, subsequently amended. DPL is the proprietor of trade mark 3118418 shown at paragraph 1 above. It contends that the marks applied for and its registered mark are identical and/or similar.

- a) In respect of application 3164839 it contends that the services in class 45 of the two parties are identical and/or similar. As such it contends that the application offends against Section 5(2)(b) of the Act.
- b) In respect of application 3164847 it contends that the marks are identical and that the goods and services of the two parties in classes 9 & 45 are identical and/or similar. As such it contends that the application offends against Section 5(1) and 5(2)(a) of the Act.

8) On 18 January 2017 SGN filed two counterstatements. It accepts that the marks of the two companies are identical/similar and that the services opposed are identical to those for which DPL's mark is registered.

9) Both sides filed evidence. Both sides ask for an award of costs. Neither party wished to be heard. Both parties provided written submissions which I shall refer to as and when necessary in my decision.

SGN's Evidence

10) SGN filed four witness statements. The first, dated 28 September 2017, is by Brian Francis Mein a director of SGN a position he has held since 2013. He states that in 2010 two companies merged under a brand new name of TSG National Limited (TNL) which traded as TSG. At the same time a holding company for TNL was formed under the name The Security Group (National) Limited (TSG). It was envisaged that an investor would join the board which would lead to various acquisitions, hence the need for a holding company with "Group" in its name. However, these plans did not come to fruition and on 26 April 2011 TNL changed its name to TSG and TSG became TNL. He states that the business has since 2010 traded using the trade mark TSG either in plain capitals or with a logo as

shown in the two marks it has sought to register (see earlier). Where the words (The Security Group) have been used they have been in addition to the letters TSG and usually in a lower case and underneath the letters. All note paper and invoices have had the letters TSG shown prominently upon them, the email address has, since 2010 been “@tsg-uk.com”. He states that the industry refers to his company as TSG (see exhibit 3).

11) Mr Mein states that his company provides a range of security-related goods and services to private organisations and Government Departments in London and the South-East of England primarily, although they have customers throughout the UK. By way of example they provide security advice, security consultancy, services for guarding and policing physical premises, services for manning reception facilities at building and sites, keyholding services, mobile security patrols to monitor client premises, security and policing for public and private events. They also provide installation, monitoring and maintenance of technological security systems. They also maintain physical security barriers such as turnstiles, gates and mailroom security. All these services have been provided under the TSG mark since 2010. He states that the Security Industry Authority (SIA)'s Approved Contractor Scheme (ACS) is the Security Industry's accepted benchmark for quality. He states that since 2010 his company has been an SIA approved contractor and since this time has maintained its position in the top 5% of scores of all approved contractors. Staff of SGN have to have SIA accreditation to carry out their work. All staff of SGN wear uniforms including polo shirts, blazers, hats, shirts, suits etc. all of which display the mark TSG and ring logo and do not refer to The Security Group. Vehicles are similarly branded. Staff of SGN are often prominent at events, checking tickets and passes and ensuring public safety and security and so are highly visible in the branded clothing and vehicles. By way of example he cites the Farnborough Air show which draws crowds of over 100,000 trade visitors and 100,000 members of the public each year. SGN provided security for this event in 2010, 2012, 2014 and 2016. The company has also provided security services to Heathrow since 2010 monitoring perimeter fences and gates, checking those seeking to enter construction sites, guarding various tunnels on the site all carried out by staff wearing TSG branded clothing. For security reasons Mr Mein states he is unable to provide photographs of such activities. The company has also carried out security services for the Ministry of Defence (MOD) providing perimeter and security gate services to bases such as barracks at *Omar*, *Catterick* and *Dale* and RAF bases such as *Brize Norton* and *Northolt*. Again all staff wore branded clothing and all vehicles were clearly

marked TSG. He states that few contractors are allowed to supply such services to the MOD. He also provides a number of private sector companies to which they supply similar services such as WPP, Jones Lang LaSalle, SEGRO, Harrods and ATP tennis. He provides the following turnover and promotion figures for the UK under the TSG mark:

Year	Turnover £million	Promotion £000
2010	8.6	n/a
2011	9.8	8.4
2012	9.2	16.6
2013	9.0	2.6
2014	7.9	3.3
2015	6.5	7.7
2016	6.1	8.9

12) Mr Mein states that his company has advertised in security industry magazines and has distributed brochures. He states that one of its customers, the advertising agency WPP, holds a supplier event roadshow where those who provide services to WPP can showcase their business. Mr Mein states that his company attended the 2015 event and used the TSG brand extensively. He also provides examples of tender documents sent to prospective clients which show use of the mark TSG. The company has also held lunches for prospective clients and sponsored lectures on security. He states that the services for which DPL's mark is registered are identical and/or highly similar to those which his company has provided since 2010. Mr Mein provides the following exhibits:

- BFM1: copies of incorporation and change of name certificates.
- BFM2: A copy of an email dated January 2014 showing use of mark 3164839 as a footer.
- BFM3: Extracts from the security online magazine *Infologue* dated 2010 and 2011 which refer to "The Security Group (TSG)".
- BFM4: Details of the role of SIA and the ACS scheme.

- BFM5 / 6: Photos of staff uniforms and vehicles showing use of TSG with the double ring logo but not the words “The Security Group”.
- BFM7: Various internet domain names which have TSG as part of the name registered to SGN.
- BFM8: Print outs from the Wayback Machine showing use of TSG and trade mark 3164839 on the internet over the years in relation to security services. These specifically refer to security guarding, mobile patrols and reception personnel, CCTV and access control, remote monitoring and key holding. They also offer system maintenance and support, they can provide barriers, turnstiles and gates and mailroom services. They offer to tailor their services to the clients’ needs depending upon the building, industry and overall requirements. It is clear that they offer a one-stop for all security requirements.
- BFM9: A selection of forty one pages of invoices to numerous UK based clients during the period 2012-2017 showing use of trade mark 3164839 in relation to the provision of security services.
- BFM10: Copies of advertisements dated 2012-2013 from City Security magazine which show use of the mark 3164839 in relation to a wide range of security services.
- BFM11: A copy of a brochure from 2012 which shows use of the mark 3164839 in relation to security services in general.
- BMF12: Pages from SGN’s website showing a photograph of the WPP 2015 event which shows use of the mark 3164839 in relation to security services.
- BMF13: Copies of Tender documents sent in 2014 and 2015. These show use of TSG with “The Security Group” underneath it and also mark 3164839, both in relation to security services.

- BMF14: Details of a lunch in January 2015 for prospective clients which shows use of the mark 3164839 in relation to security services.

13) The second witness statement, dated 28 September 2017, is by Michael Del Medico who until January 2017 was a Director at Jones Lang LaSalle (JLL) (a global real estate company). He worked for JLL from 2001-2017. He states that during much of this period SGN provided security services to a number of properties managed by JLL. He states that since 2010 the company used the mark TSG on emails invoices etc. and were referred to as TSG and had a good reputation.

14) The third witness statement, dated 27 September 2017, is by Jack Clogg currently a consultant with Kinston Technology Europe Co LLP with whom he has been employed in a variety of functions for the past twenty two years. His company has three sales and distribution buildings in Surrey which SGN has provided security for the past five years. He states that all paperwork, staff clothing and vehicles have displayed trade mark 3164839 (albeit with the words The Security Group underneath). He states that he and everyone else refers to the company simply as TSG.

15) The fourth witness statement, dated 30 September 2017, is by Stephen Fowell the Group Facilities Manager at Safmar Property Ventures Ltd since March 2015. He states that his company manages commercial buildings in and around London as well as some residential property. He states that SGN have provided security services to his company for a number of years and has always referred to them as TSG. He states that the clothing worn by SGN operatives has the two ring logo and the letters TSG upon them. He states that he is a member of the British Institute of Facilities Management and that SGN is well known in his industry for providing security services and is known simply as TSG.

DPL's Evidence

16) DPL filed a witness statement, dated 29 August 2017, by David Boswell the Managing Director of DPL, a position he has held since 2013 having been with the company for eleven years. He states that his company specialises in event security and manned guarding. He states that his company began trading under the name TSG in 2015 and they registered the domain names tsg.policing.org.uk in 2015 and tsg.ea.org.uk

in January 2017. He states that the services for which his mark is registered reflects the services offered by DPL. He contends that SGN uses TSG along with the words “The Security Group”. He claims that there are a number of other companies using the letters “TSG” and at exhibits DB9-13 he provides pages from the Wayback machine which show companies using the letters TSG in relation to the provision of IT software, building contracting, software testing and training, sports gear and clothing and programmed music. He does not comment on the relevance of this evidence save to state that use of TSG is distinctive for DPL’s services. He comments that, unlike SGN, his company does not supply “premium security services to *leading organisations and government departments*”. He claims that DPL uses the acronym TSG to mean “Tactical Support Group”. He states that when registering DPL’s trade mark he was “completely unaware” of SGN’s use of TSG, and a search of the Register at the time showed no conflict with the sign as registered by DPL. He also provides the following exhibits:

- DB2: This is a page from the company website dated August 2017 which shows the company trading as “definitive security” offering security services. There is no use of TSG on the page.
- DB3 & 4: Copies of domain registrations confirming the claims made above.
- DB5: A copy of a page from the website www.tsgplc.com which shows use of the mark TSG in relation to security services.
- DB14-16: copies of pages from SGN’s website and LinkedIn page which shows use of trade mark 3164839 which he points out has the words “The Security Group”.
- DB17: A Google search for TSG which shows DPL at number two on the list and SGN at number four. The search was not confined merely to security companies.

SGN’s Evidence in reply

17) SGN filed a witness statement, dated 8 December 2017, by Mr Mein who has already provided evidence in this case. He makes a number of comments regarding the

evidence of DPL which do not assist my decision. He reiterates that his company uses the letters TSG solus to refer to itself and uses the same letters along with the rings logo on clothing and vehicles, none of which have any reference to “The Security Group”. He provides a list of BS and ISO accreditations as well as other accreditations which his company have held for a number of years prior to DPL registering its mark. He contrasts this to the position of DPL which he contends do not hold any such accreditations. He also notes that DPL on its website (exhibit BFM18) state that they provide services to local authorities, which Mr Mein states is the equivalent of Government departments and so both companies are in direct competition.

18) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

19) I shall first consider the invalidity action which is brought under section 47 and section 5(4)(a) both of which read:

“47. - (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(2) The registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.”

And:

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) [.....]

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark.”

20) In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56 In relation to deception, the court must assess whether “a substantial number” of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

21) Whilst Halsbury's Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 it is noted (with footnotes omitted) that:

"To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

22) The first issue is to determine the relevant date when SGN has to show it had reputation. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC as the Appointed Person considered the relevant date for the purposes of s.5(4)(a) of the Act and concluded as follows:

“39. In *Last Minute*, the General Court....said:

‘50. First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51. However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 11 March 2000.’

40. Paragraph 51 of that judgment and the context in which the decision was made on the facts could therefore be interpreted as saying that events prior to the filing date were irrelevant to whether, at that date, the use of the mark applied for was liable to be prevented for the purpose of Article 8(4) of the CTM Regulation. Indeed, in a recent case before the Registrar, *J Sainsbury plc v. Active: 4Life Ltd* O-393-10 [2011] ETMR 36 it was argued that *Last Minute* had effected a fundamental change in the approach required before the Registrar to the date for assessment in a s.5(4)(a) case. In my view, that would be to read too much into paragraph [51] of

Last Minute and neither party has advanced that radical argument in this case. If the General Court had meant to say that the relevant authority should take no account of well-established principles of English law in deciding whether use of a mark could be prevented at the application date, it would have said so in clear terms. It is unlikely that this is what the General Court can have meant in the light of its observation a few paragraphs earlier at [49] that account had to be taken of national case law and judicial authorities. In my judgment, the better interpretation of *Last Minute*, is that the General Court was doing no more than emphasising that, in an Article 8(4) case, the *prima facie* date for determination of the opponent's goodwill was the date of the application. Thus interpreted, the approach of the General Court is no different from that of Floyd J in *Minimax*. However, given the consensus between the parties in this case, which I believe to be correct, that a date prior to the application date is relevant, it is not necessary to express a concluded view on that issue here.

41. There are at least three ways in which such use may have an impact. The underlying principles were summarised by Geoffrey Hobbs QC sitting as the Appointed Person in *Croom's TM* [2005] RPC 2 at [46] (omitting case references):

- (a) The right to protection conferred upon senior users at common law;
- (b) The common law rule that the legitimacy of the junior user's mark in issue must normally be determined as of the date of its inception;
- (c) The potential for co-existence to be permitted in accordance with equitable principles.

42. As to (b), it is well-established in English law in cases going back 30 years that the date for assessing whether a claimant has sufficient goodwill to maintain an action for passing off is the time of the first actual or threatened act of passing off: *J.C. Penney Inc. v. Penneys Ltd.* [1975] FSR 367; *Cadbury-Schweppes Pty Ltd v. The Pub Squash Co. Ltd* [1981] RPC 429 (PC); *Barnsley Brewery Company Ltd. v. RBNB* [1997] FSR 462; *Inter Lotto (UK) Ltd. v. Camelot Group plc* [2003] EWCA Civ 1132 [2004] 1 WLR 955: "date of commencement of the conduct complained of". If there was no right to prevent passing off at that date, ordinarily there will be no right to do so at the later date of application.

43. In *SWORDERS TM O-212-06* Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.’ ”

23) In the instant case DPL filed its mark on 19 July 2015, but claims to have started trading under the mark in March 2015 (see counterstatement and evidence). I therefore regard the earlier date as the relevant date.

24) I must first determine whether SGN had goodwill at March 2015 and in respect of what sign and which services did that goodwill exist. Goodwill was defined in *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217 (HOL):

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

25) DPL contend that SGN has not used the sign “TSG” on its own but only with a logo device, and sometimes including the full company name. The two marks that it states are used are:

The composite sign	
The composite sign with trading name	

26) DPL accepts that there is limited evidence of use of TSG *solus*, but this is in domain names, as part of the email address, and in secondary positions within texts on web pages where the marks in paragraph 25 above precede it. DPL contends that use in domain and email names is not trade mark use. Regarding use on the webpages they state that once the composite mark (with or without company name) has been used then the consumer is not relying upon the letters TSG to act as a trade mark, but simply as a shorthand for the full marks. It also contends:

“9. Furthermore, what is in issue is whether there has been a material misrepresentation, which in turn depends on whether the mark has become distinctive to a sufficient proportion of the public. Only use in a trade mark sense can contribute to a name, mark or get-up becoming distinctive. If a word mark is used in a descriptive or generic sense, then no amount of such use can make it distinctive unless it has acquired a secondary meaning. On the contrary, it only contributes to its descriptive or generic quality. Abbreviations of company name and abbreviation of descriptive terms are in themselves descriptive if they are used in that way, and the relevant public, whether general or specialised, recognises them as being identical to the full descriptive meaning. In particular, signs consisting of an acronym that precede or follow a descriptive word combination are descriptive if it is perceived by the relevant public as merely a word combined with an abbreviation of that word combination, for example ‘Multi Markets Fund MMF’. This is because the acronym and word combination together are intended to clarify each other and to draw attention to the fact that they are linked (judgment of 15/03/2012, joined cases C-90/11 and C-91/11, Strigl & Securvita, EU:C:2012:147, § 32, 34 and 40).

10. The Security Group is descriptive of a group of companies providing security and the Cancellation Applicant admits that TSG is shorthand for The Security Group (National) Ltd - see the admission by Brian Mein at paragraph 4 of his First Witness Statement that “TSG” was chosen as it derived from the initial letters of The Security Group and paragraph 6 of the Witness Statement of Jack Clogg (where he states that he refers to “*The Security Group (National) Ltd just by the letters TSG*”). In many instances it is made clear to the public that TSG is simply shorthand for The Security Group – see for example **the Composite Sign with Trading Name**. Also, the home page of the Applicant’s website at Exhibit BMF8 states “*The Security*

Group (National) Ltd (TSG)”. Such use clearly reinforces the descriptive nature of TSG being an abbreviation for the company name and or trading name.”

27) I accept that there is little evidence showing the use of TSG *solus* in the evidence filed. When it is used it is virtually always after the full name of the company has been set out and usually with the two intertwined rings logo and then it is an obvious shorthand for the name of the company, as indeed was acknowledged by the independent witnesses. However, simply because TSG is a shorthand form of the company name does not mean it can have no trade mark significance or indeed goodwill. The average consumer is quite used to using shortened versions of company names and recognising them as the sign to rely upon to designate origin; e.g. AA, BA, BR, NATWEST, BT, RAC, LV etc. SGN has made extensive use of the “composite mark” referred to in paragraph 35 above. It is used on all clothing worn by the staff of SGN and is also upon all liveried vehicles owned by them. The only issue is whether the acronym element has a distinctive character and whether use with the logo element alters that distinctive character.

28) In considering this issue I look to the comments in *Nirvana Trade Mark*, BL O/262/06, where Mr Richard Arnold Q.C. (as he then was) as the Appointed Person summarised the test under s.46(2) of the Act as follows:

"33. The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter’s distinctive character. As can be seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

29) Clearly this case relates to the issue of genuine use of a mark but I believe that its principles are relevant to the instant case. The question in both cases being whether the mark used as part of, or with, another mark is distinctive on its own of the goods/services of a particular undertaking.

I note that although this case was decided before the judgment of the Court of Justice of the European Union (“CJEU”) in *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, which concerned the use of one mark with, or as part of, another mark, the Court of Justice of the European Union found that:

“31. It is true that the ‘use’ through which a sign acquires a distinctive character under Article 7(3) of Regulation No 40/94 relates to the period before its registration as a trade mark, whereas ‘genuine use’, within the meaning of Article 15(1) of that regulation, relates to a five-year period following registration and, accordingly, ‘use’ within the meaning of Article 7(3) for the purpose of registration may not be relied on as such to establish ‘use’ within the meaning of Article 15(1) for the purpose of preserving the rights of the proprietor of the registered trade mark.

32. Nevertheless, as is apparent from paragraphs 27 to 30 of the judgment in *Nestlé*, the ‘use’ of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.

33. As the German and United Kingdom Governments pointed out at the hearing before the Court, the criterion of use, which continues to be fundamental, cannot be assessed in the light of different considerations according to whether the issue to be decided is whether use is capable of giving rise to rights relating to a mark or of ensuring that such rights are preserved. If it is possible to acquire trade mark protection for a sign through a specific use made of the sign, that same form of use must also be capable of ensuring that such protection is preserved.

34. Therefore, the requirements that apply to verification of the genuine use of a mark, within the meaning of Article 15(1) of Regulation No 40/94, are analogous to those concerning the acquisition by a sign of distinctive character through use for the purpose of its registration, within the meaning of Article 7(3) of the regulation.

35 Nevertheless, as pointed out by the German Government, the United Kingdom Government and the European Commission, a registered trade mark that is used only as part of a composite mark or in conjunction with another mark must continue to be perceived as indicative of the origin of the product at issue for that use to be covered by the term ‘genuine use’ within the meaning of Article 15(1)”. (emphasis added).

30) For clarity the mark I am considering here is:



31) The dominant and distinctive element of the mark is clearly the three letters TSG. The logo element, although it comes first in the mark, cannot be enunciated and is conceptually meaningless as far as I am aware, and no evidence has been provided to suggest otherwise. Anyone coming across the staff and/or vehicles of this company would automatically assume that the services provided originate from TSG, without any knowledge of what those letters stood for. They might hazard a guess, but most would be content that the provider traded as TSG, as I have set out earlier it is common place for companies to trade under acronyms. To my mind use of the above mark complete with two interlinked/intertwined rings is simply use of TSG with an additional element which does not alter its distinctive character. Similarly, use of the “composite” mark above with the company name (see paragraph 25 above) falls into the same category of use of TSG as part of a composite mark. Therefore, where the evidence shows use of either of the two marks shown at paragraph 25 above it shows, in my opinion, use of the mark TSG.

32) DPL also contend that the mark TSG is descriptive of security services in general as it is clearly an acronym of THE SECURITY GROUP. It also contends that use of the same acronym by others means that there can be no misrepresentation. In its submissions it states:

“11. Reference is also made to the Witness Statement of Michael Del Medico on behalf of the Cancellation Applicant, in which he states that he and other clients refer to The Security Group National Ltd as TSG because it is shorter and easier to say and write. Again, this emphasises the descriptive nature of TSG being an abbreviation for the company or trading name which is itself descriptive. It is further only an abbreviation of the company name and does not indicate a sufficient nexus between the abbreviated company name and the services referred to at paragraph 4 above. It is also noted that Michael Del Medico states that TSG appeared on all invoices and emails but fails to mention that it only appears in a logo format in the Get Up, as part of the Composite Sign and/or **Composite Sign With Trading Name**.

12. As submitted in the Second Witness Statement of Brian Mein, it is acknowledged that other companies who use TSG, listed at paragraph 11 (b) of the Proprietor’s counterstatement are in a different field of activity. In order to establish misrepresentation, it is necessary to show the customers are moved to buy by source and the fact remains that so many businesses use TSG as an abbreviation. This indicates that the public commonly perceive three letter signs to be an abbreviation especially when unpronounceable and particularly in this instance when almost all of the use of the Cancellation Applicant’s sign is with the trading name, The Security Group. Accordingly, it is difficult to see how there could be any actionable misrepresentation as the public are used to seeing three letter word marks as an abbreviation.”

33) Whilst the letters TSG may be an acronym for THE SECURITY GROUP and provide an easy shorthand form for the company and its clients this does not mean that all clients will be aware of what the acronym stands for. If one saw a guard checking passes at the entrance of a building and noted that his clothing carried the logo at paragraph 30 above, there would be no way of knowing what the letters stood for. As I have said earlier acronyms are fairly commonplace and one comes across them as signifying the origin of goods and services on a regular basis. In and of itself the acronym has no meaning in relation to security services at large. In relation to the use of TSG by others identified in DPL’s evidence, whilst they have provided pages from the Internet showing that the mark

TSG has been used to advertise goods and services in a range of industries, there is no evidence regarding the scale of use.

34) Of course I accept that a number of customers will know that TSG stands for THE SECURITY GROUP. Whilst The Security Group is descriptive of a particular group of companies engaged in the security field, it is not descriptive of security services as such. In this respect the mark is a bit like ‘the BBC’, descriptive of a particular British broadcasting company. Therefore, the acronym TSG would more easily have acquired a secondary meaning as a trade mark than an acronym for words that describe the services themselves, for example, PSS/Personal Security Services. In support for this view I look to the decision of Mr Iain Purvis QC, acting as the Appointed Person, in *Alpha-Tek Associates Limited v Durham University* BL O-464-16. The mark in that case was CEM, which Durham University and its predecessors had used as an acronym for ‘Centre for Evaluation and Monitoring’. Nevertheless, the sign had become distinctive of the University’s services. Likewise the prominent use of TSG by the SGN between 2010 and 2015 is likely to have resulted in that name becoming distinctive of its services, even if the acronym was not distinctive at the outset. This conclusion is consistent with the evidence of customers referring to SGN as just TSG.

35) DPL also takes issue with the credibility of the evidence of SGN. It states:

“13. It is also noted that all of the witness statements provided by the Applicant are from persons working for the Cancellation Applicant or clients/former clients of the Cancellation Applicant. In particular, Brian Mein is a major shareholder and director of the Cancellation Applicant, Jack Clogg, is a client of the Cancellation Applicant, in this case a consultant to Kingston Technology Europe Co LLP and its connected company Kingston Digital, in relation to which the Cancellation Applicant has been providing manned security for their premises and Michael Dell was a director of Jones Lang La Salle, a client of the Cancellation Applicant. As a result of the contractual and/or continual relationship between the Cancellation Applicant and the witnesses this evidence should be given a lower probative value than independent evidence.”

36) I note that the evidence provided by SGN was not questioned by DPL in its evidence nor has any request been made to cross examine any of the witnesses. I take into account the comments of Mr Arnold Q.C (as he was) when acting as the Appointed Person in *Extreme* BL/161/07 where he commented on the issue of unchallenged evidence and cross examination:

“Unchallenged evidence

33. *Phipson on Evidence* (16th ed) states at paragraph 12-12:

In general a party is required to challenge in cross-examination the evidence of any witness of the opposing party if he wishes to submit to the court that the evidence should not be accepted on that point. The rule applies in civil cases as it does in criminal. In general the CPR does not alter that position.

This rule [sic] serves the important function of giving the witness the opportunity of explaining any contradiction or alleged problem with his evidence. If a party has decided not to cross-examine on a particular important point, he will be in difficulty in submitting that the evidence should be rejected.

However the rule is not an inflexible one...

34. The authority cited in support of this statement of the law is the decision of the House of Lords in *Browne v Dunn* (1894) 6 R 67. The relevant passages from the speeches are set out in the judgment of Hunt J in *Allied Pastoral Holdings v Federal Commissioner of Taxation* (1983) 44 ALR 607, the material parts of which are quoted in the judgment of the Court of Appeal in *Markem Corp v Zipher Ltd* [2005] EWCA Civ 267, [2005] RPC 31 at [59]-[60].

35. In my judgment the learned editors of *Phipson* are correct to say that the rule is not an inflexible one. There are at least two well-established exceptions to it. The first is that, as the speech of Lord Herschell LC in *Browne v Dunn* makes clear, it may not be necessary to cross-examine on a point if the witness has been given full notice of it before making his statement. As I pointed out in *BRUTT Trade Marks*

[2007] RPC 19 at [23], this may be significant in registry proceedings where evidence is given sequentially. The second is that a court is not obliged to accept a witness's evidence in the absence of cross-examination if it is obviously incredible: see *National Westminster Bank plc v Daniel* [1993] 1 WLR 1453.

36. Where, however, evidence is given in a witness statement filed on behalf of a party to registry proceedings which is not obviously incredible and the opposing party has neither given the witness advance notice that his evidence is to be challenged nor challenged his evidence in cross-examination nor adduced evidence to contradict the witness's evidence despite having had the opportunity to do so, then I consider that the rule in *Brown v Dunn* applies and it is not open to the opposing party to invite the tribunal to disbelieve the witness's evidence.

37. Despite this, it is not an uncommon experience to find parties in registry hearings making submissions about such unchallenged evidence which amount to cross-examination of the witness in his absence and an invitation to the hearing officer to disbelieve or discount his evidence. There have been a number of cases in which appeals have been allowed against the decisions of hearing officers who have accepted such submissions. Two recent examples where this appears to have happened which were cited by counsel for the proprietor are *Score Draw Ltd v Finch* [2007] EWHC 462 (Ch), [2007] *BusLR* 864 and *EINSTEIN Trade Mark* (O/068/07). Another recent example is *Scholl Ltd's Application* (O/199/06). I consider that hearing officers should guard themselves against being beguiled by such submissions (which is not, of course, to say that they should assess evidence uncritically)."

37) I also note that in *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL 0/404/13, Mr Geoffrey Hobbs Q.C. as the Appointed Person stated that:

"21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita*

Electric Industrial Co. v. Comptroller- General of Patents [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

“[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.”

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not ‘*show*’ (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use.”

38) Obviously Mr Mein is connected to SGN being a senior officer in the company for a number of years. This does not mean his evidence should be disbelieved, as all evidence before the Registry is treated with a degree of caution. However, to my mind the evidence of Mr Mein is not obviously incredible. Similarly, the independent witnesses may be clients of SGN, but surely who better to comment on the activities of the company as they can state directly what services they have received from SGN and what trade mark/s if any they have witnessed in use. To suggest that these witnesses are not independent and that their evidence be given a lower probative value is an extraordinary claim as it would appear to be made without proper justification.

39) To my mind, it is clear that SGN has made extensive use of its mark TSG in the UK. The only question remaining is upon what services it has use its mark. DPL contends:

“4. The Cancellation Applicant alleges in paragraph 6 of Brian Mein’s First Witness Statement that *“its business provides a broad range of security -related goods and services to both private organisations and government departments predominantly in London and the south-east of England but also elsewhere in the United Kingdom”*. They refer for example to *“providing security advice, security consultancy services for guarding and policing physical premises, services for manning reception facilities at buildings and sites, keyholding services, mobile security patrols to monitor client premises, security and policing for public and private events”* and *“installation, monitoring and maintenance of technological security systems.”* This is simply a bold assertion without any evidence in the form of exhibits to back it up, save for bare statements made by either the witnesses or general statements made by third parties (such as the Security Industry Authority). Accordingly, it is submitted that the Cancellation Applicant has failed to show it has sufficient goodwill a) throughout the United Kingdom (i.e. its goodwill may only be local) and/or b) in relation to the goods and services specified under the Proprietor’s trade mark.”

40) SGN does not restrict itself when advertising its services be that on its own website or elsewhere. It offers itself as able to offer a security solution to whatever a company, local authority or government department requires, irrespective of what industry they are in or the size and nature of the estate they occupy. The services range from the obvious door personnel to electronic monitoring 24hrs a day. Mr Mein has provided highly specific examples of actual work such as guarding Heathrow, the Farnborough Airshow, and work for the MOD. SGN has provided witness statements from private sector clients which confirms the claims made by Mr Mein. In my opinion SGN has shown that prior to March 2015 its reputation and goodwill under the mark TSG covered all aspects of security services throughout the UK. In its evidence DPL has not provided details as to the extent of its own trading and so the issue of honest concurrent use does not arise. SGN has therefore easily cleared the first hurdle.

41) Clearly, as both parties are using the sign TSG in relation to security services there will be misrepresentation. As stated earlier, DPL have not provided details of their trading since inception in March 2015. In a *quia timet* action it is clearly not possible to show that damage has been suffered. In *Draper v Trist and Trisbestos Brake Linings Ltd* 56 RPC 429 Goddard L.J. stated:

“But in passing-off cases, the true basis of the action is that the passing-off by the defendant of his goods as the goods of the plaintiff injures the right of property in the plaintiff, that right of property being his right to the goodwill of his business. The law assumes, or presumes, that if the goodwill of a man’s business has been interfered with by the passing-off of goods, damage results therefrom. He need not wait to show that damage has resulted, he can bring his action as soon as he can prove passing-off; because it is one of the class of cases in which the law presumes that the Plaintiff has suffered damage. It is in fact, I think, in the same category in this respect as an action for libel. We know that for written defamation a plaintiff need prove no actual damage. He proves his defamation. So, with a trader; the law has always been particularly tender to the reputation and goodwill of traders. If a trader is slandered in the way of his business, an action lies without proof of damage.”

42) Consequently in the instant case if the applicant has established a goodwill and shown a likelihood of deception then damage can be considered as the automatic sequitur and the three elements of the classic trinity of passing-off will have been established. **The invalidity action under section 5(4)(a) therefore succeeds. The effect of this finding is that the mark is deemed never to have been registered.**

43) I now turn to the two oppositions filed by DPL against the applications filed by SGN. The grounds of opposition are under section 5(2)(b) which reads:

“5.-(2) A trade mark shall not be registered if because -

(a)

- (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

44) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an "earlier trade mark" means -

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

45) DPL is relying upon its trade mark listed in paragraph 1 above which has, at paragraph 42 above been deemed to have never been registered. As such the oppositions against applications 3164839 and 3164847 must fail.

CONCLUSION

46) The ground of invalidity in respect of trade mark 3118418 succeeded in respect of section 5(4)(a) and the mark must be deemed to have never been registered. The grounds of opposition against applications 3164839 and 3164847 have failed and so these applications can proceed to registration.

COSTS

47) As SGN has been successful it is entitled to a contribution towards its costs.

Preparing statements and considering the other side's statements	£900
Preparing evidence and considering the other side's evidence	£1000

Preparing submissions	£800
Expenses	£200
TOTAL	£2900

48) I order Definitive PSA Limited to pay The Security Group (National) Limited the sum of £2,900. This sum to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 23rd day of May 2018

G W Salthouse
For the Registrar
the Comptroller-General