

O-1084-24

TRADE MARKS ACT 1994
IN THE MATTER OF
TRADE MARK APPLICATION NO. 3933750
BY QINETIQ LIMITED
TO REGISTER



AS A TRADE MARK
IN CLASSES 41 & 42
AND OPPOSITION THERETO (UNDER NO. 443886)
BY
PALADIN SECURITY GROUP LTD

Background & Pleadings

1. QinetiQ Limited (“the applicant”) applied to register the trade mark set out on the title page of this decision on 14 July 2023. The mark was published on 28 July 2023 in classes 41 and 42 for the following services:

Class 41: Training services and training facilities; provision of training courses, seminars, conferences and exhibitions; military base training; training services relating to logistics; training of military and security personnel; accreditation of the professional competency of military and security personnel; military and security training services; military operational training services; training services relating to the operation of military equipment, vehicles, ships, aircraft and associated systems; educational and vocational testing services for military and security personnel; conducting tests and trials for military and security personnel to evidence operational capability and effectiveness; testing and evaluating the competence of military and security personnel to evidence operational capability and effectiveness; testing and evaluating the competence of military and security personnel in relation to munitions and ordinance disposal to evidence operational capability and effectiveness; conducting educational trials and tests in relation to munitions and ordinance disposal; testing and evaluating the competence of military and security personnel in relation to weapons handling and weapons testing; conducting educational trials and tests in relation to weapons handling and weapons testing.

Class 42: Engineering services; scientific services; technical data analysis; materials testing, evaluation, trials and analytical services; rental of scientific and engineering and trials equipment and facilities; quality control services; military project management services; provision of testing facilities for ammunition and firearms; environmental testing; firearms and ammunitions testing.

2. Paladin Security Group Ltd (“the opponent”) opposed the application in full on 30 October 2023 under section 5(4)(a) of the Trade Marks Act 1994 (“the Act”). The opponent relies on the following four signs which it states were first used “by June 2023” in the UK. I will return to the wording of “by June 2023” later in this decision.



3. The opponent states the signs were used on the following services:

Emergency management consultancy; Business continuity consultancy; Threat management consultancy; Violence risk assessment consultancy; Providing consultation and information in the field of emergency response in the workplace; Fire management and fire safety consultancy; Installation, maintenance and repair of security systems and CCTV and surveillance systems; Consulting and education services in the field of emergency preparedness and fire services; Security services, namely guard and patrol services for residences, and commercial, industrial and institutional premises; provision of personal security escorts and bodyguards; security for special events; supply, installation, servicing and monitoring of burglar and fire alarm systems; consulting services relating to the design, installation and implementation of security systems for buildings, worksites, sporting and cultural events and special events; Installation, maintenance and repair of telecommunications software for low voltage security systems for use in commercial buildings; installation, maintenance and repair of operating software for closed circuit TV security and surveillance systems; installation, maintenance and repair of computer software for public address (PA) and paging systems; installation, maintenance and repair of video recording software for IP (Internet protocol) video surveillance; installation, maintenance and repair of computer software for tele-video communication systems.

4. The applicant filed a counterstatement in which it denied that use of its mark would amount to an act of passing off under section 5(4)(a) and put the opponent to strict proof of its claim. The applicant also drew attention to the use of the opponent's phrase "by June 2023" on the form TM7 as its date of first use. The applicant stated that should be regarded that date of first use in the UK is June 2023.

5. Both sides have been represented throughout these proceedings. The applicant has been represented by Keltie LLP and the opponent by Gill Jennings & Every LLP.

6. During the proceedings, only the opponent filed evidence and only the applicant filed written submissions in lieu of a hearing.


7. I make this decision based on a consideration of all the material before me.

Evidence


8. The opponent filed a witness statement dated 12 February 2024 in the name of Alice Louise Anderson, who is a registered trade mark attorney employed by Gill Jennings & Every LLP, the opponent's legal representatives. Ms Anderson attached two exhibits.


9. Ms Anderson states that exhibit ALA1 contains two graphs which show "access to Paladin's advertising from the UK from 1 January 2018 – 5 December 2023".¹ The first graph shows users from each of the constituent parts of the UK which come to 29305 in total. The graph also shows a dateline with a peak of just under 1500 users between 2021 and 2022. The second graph shows there were 5877 users over the 2018 to 2023 period and the geographical location given is the UK as a whole.


10. Exhibit ALA2 contains four screenshots of the opponent's website, www.paladinsecurity.com, which have been obtained from the Wayback Machine internet archive service.

11. The first screenshot is dated 19 May 2013, and the sign **Paladin** is present in text and the sign  is visible, albeit in a yellow and blue colour in the top left corner. The website text makes reference to Paladin's security services and lists locations in Canada where Paladin operates.

¹ Witness Statement paragraph 2

12. The second screenshot is dated 1 August 2018. Again the sign **Paladin** is mentioned in the text, and the sign , depicted in yellow and blue, is also visible. There are images on this screenshot of individuals wearing Paladin uniforms

and the  sign in yellow and blue is visible on the uniform sleeve.

13. The third screenshot is dated 11 May 2022 and again the sign **Paladin** is mentioned in text, and the sign  in yellow and blue is also visible. There is also a small graphic of the Canadian and American flags on the page.

14. The fourth screenshot is dated 2 April 2023 and contains exactly the same signs, text and graphics as the third screenshot.

15. That concludes my summary of the evidence.

The statutory provisions

16. Section 5(4)(a) states:

“(4) 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, where the condition in subsection (4A) is met,

(aa) [...]

(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.”

17. Subsection (4A) of Section 5 states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

18. Section 5A of the Act is as follows:

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

19. In *Reckitt & Colman Products Limited v Borden Inc. & Ors*,² Lord Oliver of Aylmerton described the ‘classical trinity’ that must be proved in order to reach a finding of passing off:

“First, [the plaintiff] must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying ‘get-up’ (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff’s goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by him are the goods or services of the plaintiff. Thirdly, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant’s misrepresentation that the source of the defendant’s goods or services is the same as the source of those offered by the plaintiff.”

² [1990] RPC 341, HL, page 406.

20. Halsbury's Laws of England Vol. 97A (2021 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 636 it is noted (with footnotes omitted) that:

"Establishing a likelihood of deception generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive indicium used by the claimant 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 indicium 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 two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.

The question whether deception is likely is one for the court, which 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 claimant and the defendant carry on business;
- (c) the similarity of the mark, name etc used by the defendant to that of the claimant;
- (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 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”.

Relevant date

21. In terms of the relevant date for assessment of section 5(4)(a), in *Advanced Perimeter Systems Limited v Multisys Computers Limited*,³ Mr Daniel Alexander QC (as he was then), sitting as the Appointed Person, quoted with approval the summary made by Mr Allan James, acting for the Registrar, in *SWORDERS Trade Mark*:⁴

‘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.’”

22. The filing date of the application is 14 July 2023. There is no evidence of use prior to this date. As such, all factors will be considered as at this date.

Goodwill

23. The first hurdle for the opponents is to show that they had the required goodwill at the relevant date. The issue of what constitutes goodwill was discussed in *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd*⁵ viz,

“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.”

³ BL O-410-11

⁴ BL O-212-06

⁵ [1901] AC 217 (HOL)

24. In *Smart Planet Technologies, Inc. v Rajinda Sharm*⁶, Mr Thomas Mitcheson QC (as he was then), sitting as the Appointed Person, reviewed the following authorities about the establishment of goodwill for the purposes of passing-off: *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2015] UKSC 31, paragraph 52, *Reckitt & Colman Product v Borden* [1990] RPC 341, HL and *Erven Warnink B.V. v. J. Townend & Sons (Hull) Ltd* [1980] R.P.C. 31. After reviewing these authorities Mr Mitcheson concluded that:

“.. a successful claimant in a passing off claim needs to demonstrate more than nominal goodwill. It needs to demonstrate significant or substantial goodwill and at the very least sufficient goodwill to be able to conclude that there would be substantial damage on the basis of the misrepresentation relied upon.”

25. The relevant market for assessing goodwill is the UK. I noted previously in this decision that on the form TM7, when asked to enter the date of first use the opponent stated that the signs were used in the UK “by June 2023”. The use of the word “by” is an unusual way of stating the date of first use. I have taken this to mean that the opponent’s first use of its signs in the UK was June 2023 so therefore only approximately 6 weeks before the relevant date.

26. What evidence the opponent did file is deficient on a number of points relating to use and the establishment of goodwill. Those deficiencies were highlighted in the applicant’s written submissions and which I summarise below.

27. Firstly the opponent has not stated if it has any UK customers, generated any UK turnover or even if it supplied security type services in any location in the UK. Secondly it has not provided invoices of any kind to indicate the provision of a service in the UK.

28. With regard to exhibit ALA1, it is unclear to me who provided the graphs and what the figures are meant to signify. Ms Anderson states that the graphs “show access to Paladin’s advertising” between 2018 and 2023. However, no advertising material was

⁶ BL O/304/20

evidenced so it is unclear what advertising she refers to, nor on what exact dates the advertising took place given that the graphs go up to December 2023 which is some 5 months after the relevant date. There is also no information on whether this was targeted advertising for the UK market specifically. Moreover, no evidence was supplied to show whether any services were purchased by UK customers following engagement with the opponent's advertising. Looking at the analysis contained within the graph, the average duration of the engagement is approximately 1½ minutes which may be sufficient time to peruse an advertisement but does not strike me as a particular lengthy period to click into a website link and review its contents or to conduct a business transaction regarding security requirements.

29. Turning to exhibit ALA2, I accept that the screenshots show use of at least three of the signs claimed and that the Paladin website has been in existence since at least 2013. However the website material appears to be aimed at a Canadian and USA facing audience, given that both flags appear as graphics on the latter two screenshots. There are also references to the opponent providing services in various locations in Canada, and that the opponent has the largest private emergency response fleet in Canada. There is nothing I can see from the screenshots that indicates the opponent provides any services in the UK or has any UK customers. The necessity to have customers in the UK to prove goodwill was set out in *Starbucks (HK) Limited and Another v British Sky Broadcasting Group Plc & Others*.⁷

30. As the opponent has not been able to prove that it has any goodwill in the UK, then it has failed to clear the first hurdle required under section 5(4)(a).

Conclusion

31. The opposition brought under section 5(4)(a) fails. Subject to any appeal of this decision, the application can proceed to registration.

⁷ [2015] UKSC 31

Costs

32. As the applicant has been successful, it is entitled to a contribution towards its costs based on the scale published in Tribunal Practice Notice (TPN) 1/2023. I award the following costs based on that TPN.

£300 Consideration of the statement of grounds and preparation of counterstatement

£600 Consideration of evidence

£400 Preparation of submissions

£1300 Total

33. I therefore order Paladin Security Group Ltd to pay QinetiQ Limited the sum of £1300. This sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an unsuccessful appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 15th day of November 2024

June Ralph

For the Registrar