

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2015812 IN THE NAME OF
GUARDIAN SECURITY GROUP LIMITED**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 44120 IN THE NAME OF
GROUP 4 TOTAL SECURITY LIMITED**

TRADE MARKS ACT 1994

**IN THE MATTER OF application No 2015812 in the name of
Guardian Security Group Limited**

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and

**IN THE MATTER OF opposition thereto under No 44120
in the name of Group 4 Total Security Limited**

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Background

15 On 28 March 1995, Guardian Security Group Limited, of 5 Axis Hawkfield Business Park,
Hawkfield Way, Bristol, BS14 0BY, applied to register the trade marks EUROGUARD and
EUROGARD as a series of two marks in Class 6 in respect of the following goods:

Safes, cash boxes, document cabinets; parts and fittings therefor.

20 On 14 February 1996, Group 4 Total Security Limited filed notice of opposition to this
application. In which they say that they are the authorised user of the following trade mark which
is registered in the name of Euroguard Limited, a wholly owned subsidiary:

Number	Mark	Class	Specification
25 1329569	EUROGUARD	42	Store detectives, store surveillance services; monitoring of security alarm systems; all included in Class 42.

30 The grounds of opposition are in summary:

1. **Under Section 5(2) and/or Section 5(3)** Because of the earlier trade mark set out above.
- 35 2. **Under Section 5(4)(a) and/or Section 3(4)** By virtue of the law of passing-off
- 3 **Under Section 3(6)** Because the application was made in bad faith.

40 The opponents say that prior to filing the opposition they had drawn the applicant's attention to their objections.

45 The applicants admit the existence of the earlier trade mark number 1329569 but not that the opponents are the authorised user of the trade mark. They deny all of the grounds of opposition and ask that the Registrar exercise his discretion and allow the application to proceed.

Both sides ask for an award of costs in their favour.

Both sides filed evidence in these proceedings. The matter came to be heard on 14 October 1999, when the applicants were represented by Mr Michael Edenborough of Counsel, instructed by Mewburn Ellis, their trade mark attorneys, the opponents were represented by Mr Robert Onslow of Counsel, instructed by William Shepherd & Son, their trade mark attorneys.

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Opponents' evidence

10 This consists of a Statutory Declaration dated 20 December 1996, and executed by Stephen Richard Brown, the Managing Director of Group 4 Total Security Limited (the opponents) although he does not say how long he has been associated with the company. Mr Brown confirms that the facts set out in his Declaration are from his own personal knowledge or have been obtained from his company's records.

15 Mr Brown begins by confirming that his company has used the trade mark from 1992, and that it had previously been used by Euroguard Limited, a subsidiary of their company from 1986. He refers to exhibit SRB1 which is a copy of the Certificate of Incorporation and Change of Name for that company.

20 Mr Brown goes on to say that the trade mark has been used in connection with "static guarding services" and lists the turnover in respect of these services by year from 1991 to 1995 as follows:

1991	£4,159,000
1992	£6,254,000
1993	£18,921,000
25 1994	£33,214,000
1995	£31,197,000

30 He refers to exhibits SRB2, SRB3, SRB4 and SRB5 which consist of examples of printed matter such as advertising materials, company documentation, photographs etc, which show use inter alia, of the trade mark EUROGUARD(S) in relation to guarding services, the earliest dating from 1986. The exhibits indicate that Euroguard Limited is connected with the opponents and although none are dated, some show the telephone STD code from London (01) changed in 1991, and from this it is reasonable to infer that they originate from no later than this date.

35 Mr Brown continues saying that his company has spent approximately £470,000 on promotional activities and that business transacted under the EUROGUARD mark has increased considerably. He refers to the opponents' reputation in the mark for guarding services and to their registration saying that the use and registration of the application will cause confusion and a likelihood of association with their mark. He gives his view on the opponents case in a passing off action, 40 saying that the applicants would have been aware of their use and reputation and are seeking to take advantage of it which is an act of bad faith.

Applicants' evidence

45 This consists of four Statutory Declarations. The first is 26 September 1997 and comes from Michael Ridgeway, the Business Development Director of Guardian Security Group Limited (the applicants), a position he says he has held for seven years.

Mr Ridgeway sets out details about his company, saying it was incorporated in 1957 under the name John and Raymond Vian (Holdings) Limited, and adopted its current name on 28 October 1986 and that it produces physical security items which he lists and which are those covered by the application.

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Mr Ridgeway says that his company first used the trade mark EUROGUARD on a range of safes following their launch in May 1995. He refers to exhibit MR1 which consists of price lists for his company's products, both of which date from after the relevant date and can be given little if any weight. He goes on to list the retail sales figures for safes sold under the EUROGUARD mark, which are as follows:

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December 1994 - November 1995	£34,000
December 1995 - November 1996	£118,000
December 1996 - May 1997	£54,000

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Mr Ridgeway next refers to exhibit MR2 which consists of copies of invoices and customer orders dating from May 1995. He goes on to give details of his company's advertising expenditure for the period May 1995 to April 1996. In both instances these date from after the relevant date and can be given no weight.

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Mr Ridgeway goes on to refer to the opponents' trade mark registration and their claim to have acquired a substantial reputation, saying that the evidence does not support the claim, and that the figures relate to the provision of "static guarding services" in general, not just under the EUROGUARD trade mark. He also comments on the advertising expenditure stated by the opponents, in particular, the period to which this relates, and the significance of the amounts which he says is a small proportion of the total turnover figures.

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Mr Ridgeway goes on to refer to the exhibits to the opponents' declaration querying why the opponents have not provided evidence of more up to date use of the mark. He next refers to exhibit SRB4 stating that this does not provide evidence of recent use of the mark, and to exhibit SRB5 which he says shows a connection with Euroguard Limited but not any use of EUROGUARD as a trade mark. Mr Ridgeway confirms that he was aware of the opponents' business but did not know that they used the trade mark EUROGUARD until the opposition to his company's application was filed. He refers to his search of various trade publications, concluding that his failure to find any entries is indicative that the opponents have not made considerable use of the EUROGUARD name.

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He states that his company has used the trade mark since 1995 and that he is not aware of any instances of confusion with the opponents' trade mark. He refers to a questionnaire which he says his trade mark attorneys sent to a random selection of his company's customers and suppliers, saying that ten questionnaires were returned and which are shown as exhibit MR3. He gives his views on the conclusions to be drawn from the responses.

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Mr Ridgeway goes on to say that there is no risk of confusion arising from the use of resembling trade marks for the provision of static guarding services, and the sale of safes, cash boxes and secure document cabinets, because these are distinct areas within the security industry and the public and those involved in the trade are aware of this. He continues saying that manned

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guarding services and physical security products are generally provided by different companies and for different overall purposes, and refers to exhibit MR4 which he says shows that there are three main sectors of the industry. The exhibit consists of the front cover and pages 3 and 4 from the "UK Security Systems Report 1996" produced by an organisation called MarketLine Information. It says that the UK security systems market can be divided into three main sectors; and lists various activities under the headings; electronic, physical and personal. The sale of safes, etc and the provision of security personnel are shown in different sectors.

Mr Ridgeway returns to the grounds of opposition saying that the opponents have not made their case and although the applicants had been aware of the opponents' trade mark registration prior to filing their application, they had not considered there to be any conflict in the relevant goods and services and the application was made in good faith on the basis of sensible commercial reasoning.

The second Statutory Declaration is dated 21 July 1997 and comes from John Nunn who says that since 1981 he has been the proprietor of Nunn, Harvey Security, a security consultancy, and John Nunn Investigations, a private enquiry agency. Mr Nunn says that prior to this he had served 30 years as a police officer with the Bristol Constabulary (subsequently Avon & Somerset Constabulary), and from 1972 to 1981 had served as a Detective Sergeant responsible for crime prevention in the Bristol Central Division.

Mr Nunn confirms his knowledge of the applicants and their business, and that his firm has been an occasional customer of theirs and a large number of other suppliers of physical security products throughout the United Kingdom. He says that the security industry has always been divided into four main trading areas; manned guarding, private detective agencies, physical security products and electronic protection, and goes on to give details of the activities carried out under these headings. He says that the physical security products and electronic protection sectors are quite separate in their dealings with the consumer and that the public and trade perceive them as distinct and the functions quite different from the provision of security services and that the consumer would not expect both to be provided by the same company. He concludes by giving his opinion that there is no risk of confusion should the mark EUROGUARD be used by two different companies, one in respect of physical security products, the other in respect of manned guarding services.

The next Statutory Declaration is dated 11 September 1997 and comes from John Benton, an independent security consultant and a Director and member of the Association of security Consultants. Mr Benton sets out his experience within the security industry.

Mr Benton begins by saying that in his capacity as a security consultant he has known of the applicants and the opponents for some years. He says that the security industry is divided into three sectors; manned guarding, physical security and electronic security systems and that these days there is a tendency for electronic security systems to be provided as integrated systems, but that few companies provide both manned guarding services and physical security products, Mr Benton knowing of only one. He says that these divisions would broadly be recognised by the public and the trade who would only expect companies such as the one he knows of could provide both.

Mr Benton gives his view that confusion would be likely if two different companies used an identical or similar mark, one in respect of security devices and systems security systems, but that confusion would not be likely if one sold physical security products and the other provided manned guarding services, which he considers to be sufficiently far apart within the industry to avoid confusion. He concludes saying he aware of the opponents' registration and that he is satisfied that the use and registration of the mark by the applicants in relation to a range of safes would not cause confusion.

The final Statutory Declaration is dated 25 September 1997 and comes from Rachel Elizabeth Body of Mewburn Ellis, the applicants' trade mark attorneys in these proceedings.

Ms Body says that she makes the Declaration in response to the legal points raised by Stephen Richard Brown in his declaration of 20 December 1996 in support of the opposition. She refers to the decision in the British Sugar v Robertson trade mark case, and to the criteria applied by Jacob J in determining the matter of the similarity of goods and services in that case, and which Ms Body applies to these proceedings.

Ms Body next refers to the ground of opposition under Section 5(3) which she says only applies where the requirements of reputation, unfair advantage or detriment are substantiated. She challenges the opponents' claim to a reputation repeating a previous statement that the turnover figure given by the opponents relates to all static guarding services provided and not just under the EUROGUARD mark, and even if it does, is not especially large and no recent turnover figures have been given.

Ms Body refers to the declaration by John Nunn filed as part of the applicants' evidence and the assertion by Mr Nunn that it is most unlikely that the public would associate use of EUROGUARD in one area of the security industry with use of EUROGUARD/EUROGARD in another area, from which Ms Body draws the conclusion that even if the opponents' had a reputation in respect of static guarding services, the applicants' use could not take advantage of or be detrimental to the opponents.

Ms Body next refers to the ground founded on the laws of passing off, and to the "trinity" requirements for establishing such a claim. She says that the opponents have not established that there is sufficient reputation or goodwill related to their mark, that there is no misrepresentation by the applicants, and as they operate in different areas of the industry, there is no risk of confusion or deception. Ms Body also says that the opponents have not produced any evidence of actual or likely confusion, or damage.

Ms Body concludes by referring to the questionnaires she sent out to 25 of the applicants' customers, and to copies or the 10 responses shown as exhibit REB1, the originals being an exhibit to Michael Ridgeway's Declaration.

Opponents' evidence in reply

This consists of a Statutory Declaration dated 4 August 1998, and executed by Stephen Richard Brown, and is the same person that executed the earlier Declaration dated 2 December 1996.

Mr Brown begins by commenting on the Declarations filed by Michael Ridgeway beginning at paragraph 5 in which Mr Ridgeway questioned the turnover and advertising figures given by the opponents. Mr Brown says the figures specifically relate to the EUROGUARD mark and are in his view extremely impressive. He continues saying that the advertising figure quoted relates to the years 1986 - 1996, there having been no advertising of the brand in the last two years, although up until that time it had been advertised in Yellow Pages. Mr Brown says that there are currently 372 EUROGUARD assignments contracted to the opponents, involving 1,433 employees, and refers to a number of items from exhibit SRB1 to his earlier Declaration saying that these show recent use of the EUROGUARD trade mark.

Mr Brown refers to and comments on the survey which he says is too small a sample to establish the applicants' or any other party's reputation in the mark, or whether an association would be made between a supplier of security products and provider of security services. He notes that the majority of questionnaires had not been returned, and of those that had responded, 3 had indicated that it is possible, or they would expect one company to provide both physical security products and manned guarding services. Mr Brown accepts that the security industry can be divided into sectors but that this does not preclude a company operating in more than one.

Mr Brown next refers to exhibits SRB2 and SRB3. Exhibit SRB2 consists of copies of the advertisements of trade marks GROUP 4 SECURITAS and device published in the Trade Marks Journal and which had been Advertised Before Acceptance which Mr Brown says attests to the reputation of the mark in respect of various goods and services. Exhibit SRB3 consists of details of the publication of a Community Trade Mark for the mark CHUBB. Both have been accepted for a range of goods and services which Mr Brown says substantiates his claim that a single security company can encompass different sectors within the security industry.

Mr Brown moves on to refer to the Declaration made by John Nunn, saying that although there are different sectors within the security industry it does not follow that various trading areas do not cross or that a single company may not operate in more than one, and Mr Brown sets out a scenario in which he believes this could occur. He also refers to Mr Nunn's comments relating to the public and the trades perception that the areas are distinct, which he says is a generalisation and not substantiated by the replies to the questionnaires exhibited as MR3. He next responds to paragraph 7 of Mr Nunn's Declaration by setting out his view that confusion will arise, citing the fact that the consumer is not a specialist and that the first point of contact may be with one of the "national giants" such as CHUBB who operate in all sectors of the security industry. Mr Brown also refers to enquiries made in correspondence, by telephone or via the Internet.

Mr Brown continues referring to the Declaration by Mr Benton, commenting that several companies now offer both manned guarding services and also sell physical security products, CHUBB being the first to do so nationally but others, including the opponents have followed suit. He agrees with Mr Benton's statement that the divisions within the security industry would "broadly" be recognised by the public and the trade, as he considers this to indicate that the public are not experts. He concludes by referring the Declaration of Rachel Body confirming his view that the evidence filed by the opponents establishes that they have a reputation in the mark EUROGUARD in the United Kingdom and that the intended use by the applicants will take unfair advantage of, or be detrimental to the opponents earlier trade mark

That concludes my review of the evidence insofar as it is relevant to these proceedings.

Decision

5 At the hearing Mr Onslow withdrew the grounds founded under Section 3 (4) of the Act. This leaves the grounds under Section 5 (2), Section 5 (3), Section 5 (4) (a) and Section 3 (6) of the Act to be determined. I will deal first with the objection based on Section 5 (2) of the Act. That section reads:

10 **5(2)** A trade mark shall not be registered if because -

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

15 (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.

20 The term **earlier trade mark** is itself defined in Section 6 as follows:

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

25 (a) a registered trade mark, international trade mark (United Kingdom) 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,

30 The applicants are seeking to register a series of two marks, EUROGUARD and EUROGARD. The opponents' trade mark is EUROGUARD. Self evidently the first of the marks applied for is identical to the opponent's earlier trade mark. The second mark is not identical but differs only in respect of the spelling of the suffix having omitted the letter **U** from the word **Guard** which in my view does not remove its phonetic, visual and conceptual similarity. I am therefore only required to determine whether the applicants' goods are similar to the opponents' services and in reaching my decision, I have considered the guidelines formulated by Jacob J. in *British Sugar Plc v James Robertson & Sons Ltd* (1996) RPC 281 (Pages 296, 297) as set out below:

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- (a) The respective uses of the respective goods or services;
 - 40 (b) The respective users of the respective goods or services;
 - (c) The physical nature of the goods or services;
 - (d) The respective trade channels through which the goods or services reach the
 - 45 market;
 - (e) In the case of self-serve consumer items, where in practice they are respectively

found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

- 5 (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

10 Whilst I acknowledge that in view of the CANON - MGM judgement by the European Court of Justice (3-39/97) the TREAT case may no longer be wholly relied upon, the ECJ said the factors identified by the UK government in its submissions, which are the factors listed in TREAT, are still relevant.

15 The goods of the application cover, inter alia, safes and cash boxes, whereas the opponent's specification in Class 42 gives broad coverage for the provision of static security guards, together with associated surveillance and monitoring of security alarm services. At the hearing both parties agreed that the security industry can be divided into 3 distinct sectors, namely, manned security services, electronic security products and physical security products, and I am prepared to accept that this is the position.

20 The intended purpose of the respective goods and services is to Asafeguard@or Aprotect@property or possessions. Customers for such goods and services are likely to be diverse, varying from the homeowner installing a house alarm, a bank installing safes and utilising armoured van cash collection and delivery services, a department store utilising safes and strong boxes and employing store detectives, etc. I find it highly likely that respective users could use one or all, or a combination of security guard services and/or physical security devices and/or electronic security devices, and that these goods and services may complement or be used as alternatives to one another. I see no reason why the users of the applicants' goods should not also be users of the opponents' services. The physical nature of the goods and services may well be different, but the
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30 respective uses and users are likely to be the same.

35 The security industry may well be divided into areas according to the nature of the business but the evidence does not establish that traders only operate in one of these sectors. In fact, the evidence of both sides acknowledges that the major players in the security industry do not limit themselves to particular areas, but cross the boundaries. Companies such as Chubb, Group 4 Securitas and Securicor, to name a few, provide a combination of guarding services, electronic security (eg. alarms) and physical security devices (eg. safes). It is relevant that the respective services and goods are not usually self-serve consumer items and require a degree of consideration. However, the fact that some of the biggest, and I believe it is reasonable to infer, the best known companies operating in this industry provide guarding services and physical and/or
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45 electronic security devices is likely to lead the public and persons knowledgeable of the security industry to the view that a single undertakings could and indeed does provide both the goods and services in question. I see no reason why the users of the opponent's services should not also be users of the applicant's goods and it seems clear to me that suppliers of safes and cashboxes should be regarded as trading in close proximity to suppliers of static security guards.

In the Sabel BV v Puma AG case (1998 RPC 199), and Lloyd Schufabrik Meyer & Co GmbH v

Klijisen Handel BV (1999 ETMR 690 at 698), the European Court of Justice confirmed that the likelihood of confusion must be appreciated globally, taking account of all relevant factors. Both parties concede that the marks are identical. It can be readily seen that the marks consist of the abbreviation EURO which is readily understood to mean European, and the ordinary dictionary word GUARD (or the phonetic equivalent GARD), or in other words EUROPEAN GUARD which must be considered as a reference to the nature of the services provided under the mark. I have no evidence of the uniqueness or otherwise of the trade mark EUROGUARD in the market place, but as a combination of well known abbreviation and an ordinary dictionary word conjoined, I do not consider them to have such a high degree of distinctiveness such as to warrant a wide penumbra of protection.

The evidence establishes that the opponent have used their trade mark on a significant scale throughout the United Kingdom in relation to the provision of static security guard services since 1986 and I have no difficulty in accepting that at the date of application they had built a substantial reputation/goodwill in respect of provision of this, and a number of closely related services such as surveillance and monitoring of security alarms. The survey evidence supports the view that there is a link in the mind of the public between the goods of the applicant and the services of the opponents and it seems to me that the opponents can reasonably claim protection in the fields of activities in which they and the applicant operate. As the marks are identical/similar and the goods and services closely associated I am satisfied that there is a real likelihood of confusion with the opponent's earlier trade mark and find the ground under Section 5(2)(b) to be successful.

As I have already decided that the marks are identical or essentially identical and that the relevant goods and services to be similar, it follows that the ground founded under Section 5 (3) must fail and is dismissed.

I now turn to the ground of opposition under Section 5 (4) (a) of the Act which states:

5(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, 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.

No reference is made to any rule of law other than the law of passing off. Mr Hobbs QC set out a summary of the elements of an action for passing off in WILD CHILD Trade Mark 1998 RPC 455. The necessary elements are said to be as follows:

(a) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(b) that there is a misrepresentation by the defendant (whether or not intentional leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and

5 (c) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

10 I have accepted that the opponents have a substantial reputation and goodwill in the provision of static security guards. I have also concluded that the respective fields of activity of the opponents and the applicants are associated, and while there may be market segmentation the evidence establishes that the biggest best known operators in the industry, for example Chubb and the opponents' parent company do not limit themselves to particular area but cross the boundaries to provide more than one, or all, of the respective goods and services, a position acknowledged by both parties during at hearing. Also, I have decided that the opponents' "sign" is identical or very similar to that of the applicants. In these circumstances I have no difficulty in finding that misrepresentation is almost unavoidable with consequential damage to the opponents. In my view the opponents have established their case and the objection under Section 5(4)(a) succeeds.

20 Finally, I turn to consider the ground of opposition under Section 3 (6), which reads:

3(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.

25 The opponents assert that the applicants were, or at the very least should have been aware of the their trade mark, that they knew of the similarity and potential for confusion but nonetheless deliberately chose the mark. This, they say was an act of bad faith, or was reckless to the point of bad faith. The applicants in turn say that they became aware of the opponent' trade mark registration when they received the results of a trade mark search prior to filing their application. They submit that even though they did know about the opponents trade mark their application was made in good faith because their goods and the opponents' services were not going to be confused because of the different market sectors within the security industry.

35 A claim that an application has been made in bad faith implies some deliberate action by the applicant which they know to be wrong, or as put by Lindsay J in the GROMAX trade mark case (1999) RPC 10 A...includes some dealings which fall short of the standards of acceptable commercial behaviour...@ It is a serious objection which places an onus of proof upon the party making the allegation. . In my view the opponents have not established a case of bad faith and I dismiss the ground founded under Section 3(6).

40 The opposition having been successful the opponents are entitled to an award of costs. I have, however, been asked to consider an award of costs relating to the attendance at an interlocutory hearing held on 3 September 1998 to determine a request by the opponents for further time to file evidence in reply. The Hearing Officer agreed to grant the extension but commented that the difficulty had been caused by a lack of full and accurate reasons being given with the initial request. In the circumstances I consider it appropriate to make an award of £100 to the applicants which will be offset against the award arising from the substantive case, and taking this into account I order that the applicants pay the opponents the sum of £735 as a contribution to their

costs. This sum to be paid within one month of the expiry of the appeal period or within one month of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 25 day of February 2000

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**Mike Foley
for the Registrar
The Comptroller General**

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