

O-145-14

TRADE MARKS ACT 1994

In the matter of registration no 2621032

in the name of Shield International Security Co Limited

of the trade mark:



and the application for invalidation under no 84692

by Shield Risk Consulting ApS

1) Registration no 2621032 is for the trade mark:



The application for registration was filed on 15 May 2012. An international priority date of 15 December 2011 was claimed from the Republic of Korea. The registration procedure was completed on 2 November 2012. The application was made in the name of Shield International Security Co Ltd, hereinafter Korea, and still stands in that name. The trade mark is registered for the following services:

guarded transport of valuables;

language interpreter services;

provision of information relating to protection and safety of individuals; Bodyguard services for expatriates; Provision of information relating to bodyguard services and safety of expatriates; Personal body guarding; Security consultancy; Bodyguard services; Public events security services; Missing persons location information; Missing person investigations; Tracing of absconders; Lost dog location services; Personal background Investigations; Guarding of buildings and facilities; Security services for buildings; Rental of alarms; Guards; Guarding of factories; Guarding of airports; Security control of persons and luggage in airports; Airport security services; Airport fire services; Stolen vehicle location services; Unmanned security services; Guarding of hospitals; Baggage inspection for security purposes; monitoring security systems; Monitoring of burglar and security alarms; Provision of security information; Guarding of docks; Lost property return; Registration services for notification of the loss of articles; House sitting; Detective agencies; Guarding of shops; Night guards.

The above services are in classes 39, 41 and 45 respectively of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

2) On 8 March 2013, Shield Risk Consulting ApS, hereinafter Denmark, filed an application for the invalidation of the trade mark.

3) Applications for invalidation are covered by section 47 of the Trade Marks Act 1994 (the Act) which states:

“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.

(2A)* But the registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless –

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration, (b) the registration procedure for the earlier trade mark was not completed before that date, or (c) the use conditions are met.

(2B) The use conditions are met if –

(a) within the period of five years ending with the date of the application for the declaration the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or (b) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes –

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(2D) In relation to a Community trade mark or international trade mark (EC), any reference in subsection (2B) or (2C) to the United Kingdom shall

be construed as a reference to the European Community. (2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(2F) Subsection (2A) does not apply where the earlier trade mark is a trade mark within section 6(1)(c)

(3) An application for a declaration of invalidity may be made by any person, and may be made either to the registrar or to the court, except that-

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(4) In the case of bad faith in the registration of a trade mark, the registrar himself may apply to the court for a declaration of the invalidity of the registration.

(5) Where the grounds of invalidity exists in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:

Provided that this shall not affect transactions past and closed.”

4) Denmark relies upon sections 3(6), 5(2)(b) and 5(4)(a) of the Act.

5) Section 3(6) of the Act states:

“A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

Section 5(2)(b) of the Act states:

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

(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.”

Section 5(4)(a) of the Act 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”.

6) In relation to section 5(2)(b) of the Act, Denmark relies upon Community trade mark application no 10621225 for the trade mark SHIELD Risk Consulting. The application for registration was filed on 7 February 2012; so after the international priority date of the registration.

7) In relation to section 5(4)(a) of the Act, Denmark claims that it has used the signs SHIELD and

SHIELD
R I S K C O N S U L T I N G

since 1 January 2002 throughout the United Kingdom in respect of the following:

Office functions; Business management and advice; Business consultancy services; Business consultancy and business operation consultancy; Business acquisition and merger consultation; Economic forecasting and analysis; Advertising management.

Risk management consultancy; Risk management. Guarded transport of valuables; Chauffeur services; Haulage services; Air-transportation; Escorting of travellers and their luggage; Services for the storage of goods; Warehousing; Transportation of passengers; Passenger transport services; Marine transport services; Travel and transport information and advisory services.

Consultancy services relating to the education and training of management and of personnel; Military base training; Education; Arranging professional workshop and training courses;

Publishing of electronic publications; Sporting and cultural activities. Security services for the protection of property and individuals; Security consultancy; Safety services; Baggage inspection for security purposes; Security services for the protection of property and individuals; Security consultancy; Safety services; Baggage inspection for security purposes; Personal body guarding

8) Denmark claims that it has built up significant goodwill in relation to the signs since 2002. It claims that owing to the similarities between its signs and the trade mark of the registration and between the respective services that “there is a likelihood of confusion on the part of persons who obtain goods and services from the Applicant. Such persons are likely to believe that the registered owner’s services are those of the Applicant’s or that there is some commercial connection between the two entities. The Applicant already has evidence of such confusion having taken place.”

9) In relation to section 3(6) of the Act, Denmark claims:

The Applicant has been using the mark "Shield" since 2000 and in the UK since 2002.

In 2011 the applicant became aware of the fact that the registered owner was using a similar mark for its services. The registered owner was also reproducing copyright-protected text from the applicant's website on its website without authorisation. The applicant contacted the registered owner and urged it to delete the copyrighted text from its website and to stop using SHIELD for "security services". The registered owner deleted the reproduced text but did not discontinue its use of SHIELD. After this correspondence the registered owner applied for registration of a South Korean mark, a CTM (which is being opposed by the applicant) and the UK trade mark the subject of this application. The filing date of both the CTM and the UK mark is later than that of the applicant's own CTM application (number 010621255) but the opponent has claimed priority from its South Korean trademark application (which has now been rejected) thus circumventing the problem of the later application date.

The application of this UK mark (as well as its South Korean and CTM applications) after it was put on notice of the Applicant's rights was therefore made in bad faith.

10) Korea filed a counterstatement.

11) In its application Denmark claims that it notified Korea of its intention to file an application for invalidation on 21 February 2013. Korea denies that this intention was "adequately served" on 21 February 2013 and puts Denmark to proof of this.

12) Korea states that, owing to the international priority date of 15 December 2011, the trade mark application upon which Denmark relies is not an earlier trade mark. Korea denies that there has been evidence of confusion and puts Denmark to proof re this. It puts Denmark to proof re the claims it has made in relation to section 5(4)(a) of the Act. In relation to section 3(6) of the Act, Korea denies that it did alter, amend or delete the contents of its website during the period from October 2011 to December 2012, with the exception of one image being inserted. Korea requests that Denmark identifies the alleged copyright protected text. Korea denies the ground of invalidation under section 3(6) of the Act.

13) Both parties filed evidence. Denmark furnished two witness statements from Jesper Lundsgaard. Mr Lundsgaard is the chief executive officer and senior partner of Denmark. Tae-Hyung Kim furnished a witness statement on behalf of Korea. Mr Kim is the president of Korea. Neither party requested a hearing. Both parties filed written submissions.

First witness statement of Jesper Lundsgaard

14) Mr Lundsgaard states that Denmark was founded in 1998 and incorporated in Denmark in 2001. He states that Denmark is a worldwide consulting company that provides risk management and security solutions to companies and organisations. Exhibited at pages 1-33 of JL1 are copies of three brochures of Denmark and at pages 34-44 of JL1, pages from its website. The contact details in the brochures are in Denmark. There is no indication as to from when the brochures emanate. At page 29 there is a heading of "Shield around the world"

and included in the list of countries is England. On page 9 there is a reference to the UK Bribery Act but no indication if this relates to the 2010 or 2012 Act and so it is not possible to gain an indication of the date of the publication from this. At page 2 there is a list of the contents of the first brochure: risk management, operational risk management, security risk management, logistic risk management, enterprise risk management, audit and reviews, business risk intelligence, due diligence, brand protection, fraud and corruption, espionage, whistle blowing, specialist consulting, governance, corporate social responsibility, stabilisation, operations, crisis management, crisis management planning, emergency response unit, kidnapping and ransom, basic crisis management course, advanced crisis course, self-protective course and travel security course. Denmark describes itself as a company specialising in risk and crisis management. The pages from the website were downloaded on 20 June 2013, so well after the international priority date and the date of application for registration by Korea. The pages from the website have no references to the United Kingdom.

15) Mr Lundsgaard states that Denmark has conducted its business primarily in the European Union, the United States and the Middle East. He states that evidence in relation to this is exhibited at pages 45-54 of JL1. Only page 45 relates to the United Kingdom. This is a “to whom it may concern document” dated 1 January 2006 stating that CSS Group, based in Hampshire, and Denmark have a “Strategic Partnership”. There is no indication as to what this strategic partnership entails.

16) Mr Lundsgaard gives details of expenditure on marketing, there is no indication as to how much relates to the United Kingdom. He states that in 2011/12 Denmark spent about £2,600 on printed matter, in 2010/11, it spent about £13,500 on the maintenance and updating of its website. In June 2011 Denmark spent about £9,000 on the updating of its website. Mr Lundsgaard states that “nowadays”¹ Denmark spends an average of about £1150 on online marketing.

17) Denmark registered the domain name shield.eu on 14 April 2006. Exhibited at page 60 of JL1 is a page from the Wayback Machine showing the website was active as of 12 September 2006.

18) Mr Lundsgaard states that Denmark is a member of several international organisations. It has been affiliated to the United Nations Global Compact scheme since 25 July 2011. Denmark is referred to in pages from the website of Master of Homeland Security; pages from this website downloaded on 20 February 2013 are exhibited at pages 62 to 68 of JL1. The reference to Denmark advises that it has offices in 30 countries and allows for a click through to Denmark’s website. Denmark has been a member of ASIS since 2002. ASIS

¹ The statement referring to this was signed on 17 July 2013.

describes itself as the preeminent organisation for security professionals with 38,000 members worldwide.

19) Denmark refers to the Community trade mark upon which it relies in these proceedings. This application has been opposed by Korea. Korea has filed an application for a Community trade mark for the trade mark the subject of these proceedings. This application has been opposed by Denmark. The Community trade mark application was made on the same date as its United Kingdom registration was filed. Included in JL1 are observations to OHIM made by Denmark's Danish agent. These are observations by an agent and are not evidence in a format required in the United Kingdom. Most of what is written in the observations reflects what Mr Lundsgaard has stated in his witness statement. In his observations, at page 95 of JL1, the agent states that Denmark became aware of Korea using a similar trade mark in 2011. The agent claims that Korea was using on its website three pages taken from Denmark's website. The agent claims that Denmark contacted Korea and urged it to remove the copyrighted text from its website and to stop using SHIELD for security services. He claims that Korea removed the text but did not discontinue using the name.

20) Mr Lundsgaard states that Denmark has distributed its brochures since 2006 and that these have been sent to "customers and prospective customers" in the United Kingdom and also to persons and organisations in the United Kingdom which subscribe to Denmark's newsletter service. Mr Lundsgaard states that Denmark has sent approximately 1,500 brochures to United Kingdom businesses and approximately 200 personal letters to "corporate leaders".

21) Mr Lundsgaard states that English is used in all marketing and advertising. He states that in "the past couple of years" Denmark has spent approximately £150,000 per year on marketing and advertising". Mr Lundsgaard states that the marketing activities consist mainly of the production and issue of brochures, flyers and newsletters. As of July 2013, the date of the first statement, Denmark spends £5,000 per month on newsletter expenses for the whole of Europe.

22) Mr Lundsgaard states that between 31 May 2012 and 30 June 2013, 2,466 newsletters were sent out by e-mail to recipients in the United Kingdom. Examples of the newsletters are exhibited at pages 102 to 124 of JL1. There is no indication as to where the newsletters exhibited were sent. The first newsletter is dated 2 January 2010, the final newsletter is dated 3 June 2013. There are examples of newsletters from 2011 and 2012 also. The newsletters give information about events which could have an effect upon the safety of individuals eg the newsletter for 18 February 2011 gives information about unrest in the Middle East and North Africa. The newsletters from 3 October 2010 onwards advertise the services of Denmark in relation to security type services; giving contact details (not in the United Kingdom). (Page 115 of JL1 is from the Apsis newsletter and relates to Denmark. The article shown is dated 6 July 2011 and advises of the news feed and website of Denmark. Denmark is described as

one of the “leading consulting businesses in Scandinavia and in the Middle-East, offering its products and services worldwide”.) The newsletters show use of the two signs upon which Denmark relies for the purposes of section 5(4)(a) of the Act.

23) Mr Lundsgaard states that Denmark’s website “attracts” visitors from the United Kingdom. Exhibited at pages 125-127 are copies of pages from Google analytics in relation to the website. Only the figures shown at page 125 include a period prior to the date of the filing of the application. These figures are for the period 2 June 2011 to 2 July 2012. In this period there were 2,874 visits from the United Kingdom, on average 3.5 pages were visited, the average duration of a visit was 2 minutes 4 seconds, 76.72% were new visits and there was a bounce rate of 38.45%. The top ten countries from which visits have been made are shown. Germany is tenth with 200 visits and a bounce rate of 54%; the Republic of Korea does not appear in the list of the top ten countries.

24) Mr Lundsgaard states that Denmark has an arrangement with Reuters and a partner agreement with Agence France Presse’s United Kingdom office whereby it buys their material to publish on its website.

25) Mr Lundsgaard states that Denmark supplies its services to many clients in the United Kingdom and has done so since 2000 (ie before it was incorporated). He states that because of the nature of its business the identity of its clients is confidential. Exhibited at pages 139 to 162 are copies of invoices sent to addresses in the United Kingdom. The details of the client and the nature of the services, with five exceptions, have been redacted. The addresses or parts of the addresses can be seen. The first invoice is dated 18 April 2000. The invoices shown are dated: 18 April 2000, 22 April 2000, 21 December 2006, 21 May 2007, 28 August 2007, 28 September 2007, 28 January 2008, 28 February 2008, 25 September 2008, 11 February 2009, 27 March 2009, 28 October 2009, 25 February 2010, 28 September 2010, 28 October 2010, 28 March 2011, 28 November 2011, 8 May 2012; the remaining invoices are after the date of the filing of the application of the registration. The services supplied, where they can be seen, are “consulting agreement”, “ground transportation” and “risk assessment”. In certain of the invoices the sums being billed are shown. The sums, before the date of the filing the application of the registration, which can be seen are: €11,906.25, €45,500, €58,500, €33,400, €45,625, €36,500, €25,750, €29,500, €45,500, €31,875, €54,500 and US\$400.

26) Mr Lundsgaard states that Denmark has provided its services to approximately 110 companies in the United Kingdom and has long standing contracts with 23 United Kingdom companies. He states that 10% of the global turnover is attributable to services provided in the United Kingdom.

27) Exhibited at page 173 of JL1 is an e-mail sent to Denmark on 11 November 2012. The e-mail seeks an appointment with Shield International Security Co.

Mr Lundsgaard considers that this is an example of confusion. He states that Denmark has been contacted by several industry associations, public authorities and competitors regarding violations of standards and legislation but on enquiry it has become clear that Denmark has been contacted by mistake and that they should have contacted Korea.

28) Mr Lundsgaard states that in 2011 Denmark became aware that Korea was using a similar trade mark for its services. He states that Korea was also reproducing text from Denmark's website without the authorisation of Denmark. Mr Lundsgaard states that Denmark did not keep copies of the text that was copied and that Korea removed the offending text. Exhibited at pages 186 to 190 are copies of correspondence which are effectively cease and desist letters in relation to the use of Korea's trade mark. In an e-mail of 13 April 2012 Michael Hanson for Denmark writes, inter alia, that the website of Korea "is using parts from our website to post literary content files which contain material which infringes upon SHIELD Risk Consulting's intellectual property rights and which promote its businesses which are offering services being counterfeits of SHIELD Risk Consulting Marks and literary". This statement is extremely obtuse. In Mr Hanson's e-mail of 11 April 2012 he refers to two trade mark registrations, without reference to jurisdiction. One of the numbers that he quotes is 010621225, the basis for the claim under section 5(2)(b). This is an application and not a registration, as claimed by Mr Hanson.

29) In an e-mail dated 17 April 2012, a legal representative for Korea indicates that at the time of writing Korea does not have any business activities in Europe.

30) Mr Lundsgaard states that Korea has reproduced text from other Internet sources such as G4S, Wikipedia and Amazon and the websites of other companies. Exhibited at pages 174 to 185 of JL1 is material relating to this. In relation to this the following text is identified as coinciding with text from the G4S website:

"has the international reach and resources to meet the security needs of the global age";

"has undertaken mine and unexploded ordnance (UXO) clearance";

"an experienced team of technical advisors responsible for coordinating with host nation officials, directing logistical support, and overseeing day-to-day clearance operations. Use of a highly effective integrated approach to mine and UXO clearance involving manual deminers, mine detection dogs, and mechanical equipment to increase efficiency, and ensure safety and quality. Integration of local staff, who are trained and employed as deminers, dog handlers, medics, machine operators, supervisors, and laborers to build the indigenous capacities of the host nations in which we operate"

Part of a line from a book description from Amazon is identified. Part of a line from Wikipedia in relation to the meaning of an intelligence agency is identified.

Witness statement of Tae-Hyung Kim

31) Mr Kim exhibits at HK1 a business registration certificate, with translation, for Korea. Korea was established on 4 May 2009. Mr Kim states that he worked as a branch manager for Dynsec Group, a Swedish security company, from September 2008 to March 2008 and also worked as an employee in charge of Korea for Armor Group, a United Kingdom security company. In May 2009 he established Korea to provide security services to domestic clients. He states that the word shield was adopted as it is a word that “domestic” consumers could easily recognise and its meaning was appropriate for a security company. At that time he was not aware that any other company was using the name Shield, in or outside of Korea. Mr Kim was not aware of the existence of Denmark.

32) Mr Kim states that he had no intention to imitate or hijack the brand of Denmark. He states that as Korea has a United Kingdom branch a trade mark application was filed in here as he considered that it would be necessary for its business operation in the United Kingdom. Mr Kim states that Denmark’s website shows that there is a provision for a marine security service, which was not offered prior the dispute between the parties. He states that this shows that Denmark has imitated Korea.

33) Mr Kim states that Korea did not reproduce text from the website of Denmark. He states that all text on Korea’s website was created by him or employees of Korea. Mr Kim states that Denmark should specifically identify which text on their website was imitated. He states that, contrary to the claim of Denmark, Korea did not alter, amend or delete the contents of its website during the period from October 2011 to December 2012 with the exception of one image being added, a copy of which is depicted.

Second witness statement of Jesper Lundsgaard

34) In his second witness statement, Mr Lundsgaard states that if Mr Kim was working for a Swedish security company he would have known of Denmark. He states that Denmark has been providing security services to some of Sweden’s largest companies since 2001. Mr Lundsgaard states that Dynsec Group no longer exists in Sweden.

35) Mr Lundsgaard states that a Google or Yahoo search would have revealed that Denmark had been using the name SHIELD for security and related services worldwide since 2001 and that it had had a Danish trade mark since 2002 and a United States trade mark since 2006.

36) Mr Lundsgaard states that Denmark has supplied maritime security services since 2004. Exhibited at JL2 is a screenshot from the Wayback Machine showing that on 14 October 2004 maritime security had been offered by Denmark.

37) Mr Lundsgaard states that Korea was approached by Denmark and was made aware that it had infringed literary copyright by using some of the text from Denmark's website. He refers to the correspondence exhibited at pages 186-190 of JL1. Mr Lundsgaard states that Denmark could not preserve the evidence "but clearly the Proprietor has copied some text from the Applicant's website since otherwise it would not have written to it about this".

The international priority claim

38) The entitlement to priority is governed by sections 35 and 36 of the Act. The procedural requirements for claiming priority are specified in rule 6 of the Trade Marks Rules 2008. Section 36 is not pertinent to these proceedings. Section 35 reads:

"35. - (1) A person who has duly filed an application for protection of a trade mark in a Convention country (a "Convention application"), or his successor in title, has a right to priority, for the purposes of registering the same trade mark under this Act for some or all of the same goods or services, for a period of six months from the date of filing of the first such application.

(2) If the application for registration under this Act is made within that six-month period-

(a) the relevant date for the purposes of establishing which rights take precedence shall be the date of filing of the first Convention application, and

(b) the registrability of the trade mark shall not be affected by any use of the mark in the United Kingdom in the period between that date and the date of the application under this Act.

(3) Any filing which in a Convention country is equivalent to a regular national filing, under its domestic legislation or an international agreement, shall be treated as giving rise to the right of priority. A "regular national filing" means a filing which is adequate to establish the date on which the application was filed in that country, whatever may be the subsequent fate of the application.

(4) A subsequent application concerning the same subject as the first Convention application, filed in the same Convention country, shall be considered the first Convention application (of which the filing date is the

starting date of the period of priority), if at the time of the subsequent application

(a) the previous application has been withdrawn, abandoned or refused, without having been laid open to public inspection and without leaving any rights outstanding, and

(b) it has not yet served as a basis for claiming a right of priority.

The previous application may not thereafter serve as a basis for claiming a right of priority.

(5) Provision may be made by rules as to the manner of claiming a right to priority on the basis of a Convention application.

(6) A right to priority arising as a result of a Convention application may be assigned or otherwise transmitted, either with the application or independently.

The reference in subsection (1) to the applicant's "successor in title" shall be construed accordingly."

Rule 6 states

"6—(1) Where a right to priority is claimed by reason of an application for protection of a trade mark duly filed in a Convention country under section 35 or in another country or territory in respect of which provision corresponding to that made by section 35 is made under section 36 (an "overseas application"), the application for registration under rule 5 shall specify—

(a) the number accorded to the overseas application by the registering or other competent authority of the relevant country;

(b) the country in which the overseas application was filed; and

(c) the date of filing.

(2)The registrar may, in any particular case, by notice require the applicant to file, within such period of not less than one month as the notice may specify, such documentary evidence as the registrar may require certifying, or verifying to the satisfaction of the registrar, the date of the filing of the overseas application, the country or registering or competent authority, the representation of the mark and the goods or services covered by the overseas application."

Sections A to F of Article 4 of Paris Convention for the Protection of Industrial Property state:

A. (1) Any person who has duly filed an application for a patent, or for the registration of a utility model, or of an industrial design, or of a trademark, in one of the countries of the Union, or his successor in title, shall enjoy, for the purpose of filing in the other countries, a right of priority during the periods hereinafter fixed.

(2) Any filing that is equivalent to a regular national filing under the domestic legislation of any country of the Union or under bilateral or multilateral treaties concluded between countries of the Union shall be recognized as giving rise to the right of priority.

(3) By a regular national filing is meant any filing that is adequate to establish the date on which the application was filed in the country concerned, whatever may be the subsequent fate of the application.

B. Consequently, any subsequent filing in any of the other countries of the Union before the expiration of the periods referred to above shall not be invalidated by reason of any acts accomplished in the interval, in particular, another filing, the publication or exploitation of the invention, the putting on sale of copies of the design, or the use of the mark, and such acts cannot give rise to any third-party right or any right of personal possession. Rights acquired by third parties before the date of the first application that serves as the basis for the right of priority are reserved in accordance with the domestic legislation of each country of the Union

C. (1) The periods of priority referred to above shall be twelve months for patents and utility models, and six months for industrial designs and trademarks.

(2) These periods shall start from the date of filing of the first application; the day of filing shall not be included in the period.

(3) If the last day of the period is an official holiday, or a day when the Office is not open for the filing of applications in the country where protection is claimed, the period shall be extended until the first following working day.

(4) A subsequent application concerning the same subject as a previous first application within the meaning of paragraph (2), above, filed in the same country of the Union shall be considered as the first application, of which the filing date shall be the starting point of the period of priority, if, at the time of filing the subsequent application, the said previous application has been withdrawn, abandoned, or refused, without having been laid

open to public inspection and without leaving any rights outstanding, and if it has not yet served as a basis for claiming a right of priority. The previous application may not thereafter serve as a basis for claiming a right of priority.

D. (1) Any person desiring to take advantage of the priority of a previous filing shall be required to make a declaration indicating the date of such filing and the country in which it was made. Each country shall determine the latest date on which such declaration must be made.

(2) These particulars shall be mentioned in the publications issued by the competent authority, and in particular in the patents and the specifications relating thereto.

(3) The countries of the Union may require any person making a declaration of priority to produce a copy of the application (description, drawings, etc.) previously filed. The copy, certified as correct by the authority which received such application, shall not require any authentication, and may in any case be filed, without fee, at any time within three months of the filing of the subsequent application. They may require it to be accompanied by a certificate from the same authority showing the date of filing, and by a translation.

(4) No other formalities may be required for the declaration of priority at the time of filing the application. Each country of the Union shall determine the consequences of failure to comply with the formalities prescribed by this Article, but such consequences shall in no case go beyond the loss of the right of priority.

(5) Subsequently, further proof may be required.

Any person who avails himself of the priority of a previous application shall be required to specify the number of that application; this number shall be published as provided for by paragraph (2), above.

E. (1) Where an industrial design is filed in a country by virtue of a right of priority based on the filing of a utility model, the period of priority shall be the same as that fixed for industrial designs.

(2) Furthermore, it is permissible to file a utility model in a country by virtue of a right of priority based on the filing of a patent application, and vice versa.

F. No country of the Union may refuse a priority or a patent application on the ground that the applicant claims multiple priorities, even if they originate in different countries, or on the ground that an application

claiming one or more priorities contains one or more elements that were not included in the application or applications whose priority is claimed, provided that, in both cases, there is unity of invention within the meaning of the law of the country.

With respect to the elements not included in the application or applications whose priority is claimed, the filing of the subsequent application shall give rise to a right of priority under ordinary conditions.”

39) In *FSS Trade Mark* [2001] RPC 40 Geoffrey Hobbs QC, sitting as the appointed person, stated:

“42 Article 4C provides that the relevant periods of priority shall be 12 months for patent and utility models and six months for industrial designs and trade marks. Various formalities for claiming priority are prescribed by Article 4D. In that connection Article 4D(4) stipulates that:

“No other formalities may be required for the declaration of priority at the time of filing the application. Each country of the Union shall determine the consequences of failure to comply with the formalities prescribed by this Article, but such consequences shall in no case go beyond the loss of the right of priority.”

43 These Articles were part of the Convention when the 1994 Act was before Parliament and it would seem to be legitimate in the light of the observations of the Court of Appeal in *Ishihara Sangyo Kaisha Limited v. The Dow Chemical Company* [1987] F.S.R. 137 at 146 per Mustill L.J. to recognise that the persons involved in the discussions at the Revision Conference in Lisbon in 1958 when those Articles were under discussion conceived that the question whether there was a regular national filing in a convention country should be confined to matters of form, without reference to the subsequent fate of the application.

44 I think it is clear from section 35 and Article 4 that a claim to priority should be accepted or rejected without considering whether the certified application is liable to succeed or fail in the convention country in which it is shown by the relevant certificate to have been accorded a filing date. The requirement for a “regular national filing” is satisfied by evidence of a procedurally regular filing in the relevant convention country. In the absence of evidence to the contrary, the registrar is entitled to assume that a duly certified filing has been made without procedural irregularity (*omnia praesumuntur rite et solemniter esse acta*). If it is subsequently shown that the relevant filing was procedurally irregular, the claim to convention priority may be disallowed and the acceptability of the relevant application for registration will, in that event, be assessed as of the date upon which it was filed in the United Kingdom.

45 The claim to convention priority in the present case was based on the application for registration filed under number 74/627,707 in the United States on January 31, 1995. The filing of the United States application on January 31, 1995 was duly certified under rule 6 of the Trade Marks Rules 1994. The certificate implies that the application was accorded a filing date of January 31, 1995 without any irregularity of procedure having occurred in or before the United States Patent and Trademark Office. The substantive validity of the application under United States law is not something which the registrar can or should consider in the context of the original applicant's claim to a convention priority date of January 31, 1995. The opponent's evidence and arguments to the contrary were, in my view, misconceived.

46 However, the claim to a convention priority date of January 31, 1995 for "consulting services in the field of financial services" in Class 36 was, as I have already said, made in the United Kingdom on the basis of an application which had been filed in the United States in respect of "consultancy services in the field of financial services" in Class 42. That gave rise to the question, under section 35(1) of the 1994 Act, whether the application for registration in Class 36 in the United Kingdom was "for some or all of the same ... services" as the application for registration in Class 42 that had been filed in the United States on January 31, 1995. The principal hearing officer addressed this question in paragraph 55 of his decision in the following terms:

"The specification of both applications uses the same rather general wording; 'consulting services in the field of financial services'. However, the meaning to be attached to this wording varies depending upon the class in which the application is filed. Financial consultancy services are proper to international class 36 and this was also the case at the relevant dates (this is clear from the sixth edition of the WIPO Guide to the International Classification of Goods and Services (Nice Classification). Computer hardware and software services for the financial service sector (like all other market sectors) are proper to class 42. The applicant's priority claim does not therefore extend to the services covered by this application in class 36."

The principal hearing officer rightly recognised that the services identified by reference to Class 36 in the United Kingdom application were not services of the kind identified by reference to Class 42 in the application filed in the United States even though the same general words of identification ("consulting services in the field of financial services") had been used in each case. Such was the effect of the differentiation introduced by linking the services to Class 36 in one case and Class 42 in

the other: *c.f.* the observations of Jacob J. in *British Sugar Plc v. James Robertson & Sons Ltd [1996] R.P.C. 281* at pages 289, 290. The discrepancy between the United Kingdom application and the application made in the United States gives rise to a question “as to the class within which any goods or services fall” and the principal hearing officer’s determination might therefore be said to be final in accordance with the provisions of section 34(2) of the 1994 Act. However, I do not need to dwell on that point because I agree with the principal hearing officer in thinking that the application for registration in Class 36 filed in the United Kingdom on July 25, 1995 was not “for some or all of the same ... services” as the application for registration in Class 42 filed in the United States on January 31, 1995 and was therefore not entitled to the priority date of the latter application under section 35 of the 1994 Act.”

40) The Republic of Korea’s accession to the Paris Convention came into force on 4 May 1980. It adopted the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended, on 1 March 1998.

41) Details of the Korean application upon which the priority claim, and translation thereof, have been filed.

42) Denmark challenges the validity of the international priority claim of Korea. It states that there was an earlier Korean trade mark application made in 2009, which was refused. Denmark also states that the application upon which the United Kingdom registration priority date is based has been refused. Documentation in relation to the two applications is exhibited at pages 163 to 172 of JL1. The 2009 application was in the name of Hyong Ah Kim. Mr Kim is a director of Korea, which did not exist at the time of earlier filing and so he could not have been a director of the company then. The requirement for a claim for priority is that it is a filing “which is adequate to establish the date on which the application was filed in that country, **whatever may be the subsequent fate of the application**”. The earlier filing was not in the name of the same legal entity and so is not pertinent to the issue of the priority date. Even if it had been in the name of the same legal entity, this would not be pertinent as the date of refusal was 10 July 2010 ie before the date of the latter application and section 35(4) of the Act would take effect. (Page 168 of JL1 shows that the earlier application was not published.) It is clear from the Act that the subsequent fate of the application is not pertinent to the validity of a claim to priority under the Paris Convention. This part of the Act is clearly in complete compliance with section A of article 4 of the Paris Convention. Denmark has filed no evidence to show that the Korean application upon which the claim to priority is based was subject to a procedural irregularity, which it would be required to show as per paragraph 44 of *FSS Trade Mark*.

43) The United Kingdom application includes services in classes 39 and 41: guarded transport of valuables and language interpreter services respectively. The Korean application was for class 45 only, however, the class 39 and 41 services are included in the specification. The services at the time of the filing of the Korean application and at the time of the filing of the United Kingdom registration were in classes 39 and 41 and, indeed, appear in the list of services in the WIPO guide to the classification of services. These are services that are only encompassed by classes 39 and 41 and so the class allocation cannot affect the nature of the services. The classification system is for administrative purposes. As the services cannot be in class 45 and must be in the classes that they have been allocated to in the United Kingdom, the reasoning of Mr Hobbs in paragraph 46 of *FSS Trade Mark* does not apply. The international priority claim applies to and is effective in relation to all of the services of the registration. **As the trade mark upon which Denmark relies is not an earlier trade mark, the ground of invalidation under section 5(2)(b) must be dismissed.**

Material dates

44) The trade mark of Korea has an international priority date of 15 December 2011. As per section 35(2) of the Act:

“(2) If the application for registration under this Act is made within that six-month period-

(a) the relevant date for the purposes of establishing which rights take precedence shall be the date of filing of the first Convention application, and

(b) the registrability of the trade mark shall not be affected by any use of the mark in the United Kingdom in the period between that date and the date of the application under this Act.”

Article 4(4) of Directive 2008/95/EC of the European Parliament and the Council of 22 October 2008 (the Directive) states:

“Any Member State may, in addition, provide that a trade mark shall not be registered or, if registered, shall be liable to be declared invalid where, and to the extent that:

.....

“(b) rights to a non-registered trade mark or to another sign used in the course of trade were acquired prior to the date of application for registration of the subsequent trade mark, or the date of the priority claimed for the application for registration of the subsequent trade mark,

and that non-registered trade mark or other confers on its proprietor the right to prohibit the use of a subsequent trade mark”.

Taking into account the above section of the Directive, section 35(2) of the Act is to be interpreted as meaning that the material date for establishing rights for the purposes of section 5(4)(a) of the Act must be prior to the international priority date of the application. Any later date would defy the logic and purpose of an international priority date, as that date would then no longer apply. Consequently, goodwill, in respect of section 5(4)(a) of the Act (see below re further comment on material date in relation to the law of passing-off), must be established prior to 15 December 2011.

45) A similar provision to section 5(4)(a) of the Act is to be found in Article 8(4) of Council Regulation 40/94 of December 20, 1993. This was the subject of consideration in *Last Minute Network Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Joined Cases T-114/07 and T-115/07, in which the General Court (GC) stated:

“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.”

The reasoning of the GC, *mutatis mutandis*, is followed in relation to the Act; so Denmark must establish protectable goodwill as of the date of the international priority date. Consideration has also to be given to the position at the date that the behaviour complained of commencedⁱ, if this is earlier than the date of the priority claim. There is no evidence that Korea had any business in the United Kingdom prior to that date and so the material date is the date of the international priority claim.

46) Consequently, the material date for the purposes of section 5(4)(a) of the Act is 15 December 2011.

47) The material date for the purposes of section 3(6) of the Act is the date of the application for registrationⁱⁱ, ie 15 May 2012. (Bad faith relates to the action of filing an application, hence the material date is the date of the application.)

Section 5(4)(a) of the Act – passing-off

48) The principles of the law of passing-off were summarised by Lord Oliver in *Reckitt & Colman Products Ltd v. Borden Inc* [1990] RPC 341 at page 406:

“The law of passing off can be summarised in one short, general proposition: no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First he 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 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 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.”

In *Pete Waterman Ltd v CBS United Kingdom Ltd* [1993] EMLR 27 Sir Nicolas Browne-Wilkinson VC stated:

A. As a matter of principle, the existence of a severable English goodwill attached to a place of business in this country is not the basis of a right to complain of passing-off in this country. What is necessary is for the plaintiffs to show they have a trade connection here which will normally consist of customers forming part of their goodwill, wherever that goodwill is situate, which goodwill is being invaded by the acts of the defendant in this country;

B. The approach which I have set out at A above is not open to me as there is binding authority to the effect that the basis of [the] plaintiff's claim must be a goodwill locally situate in England; but

C. The presence of customers in this country is sufficient to constitute the carrying on of business here whether or not there is otherwise a place of business here and whether or not the services are provided here. Once it is found that there are customers, it is open to find that there is business here to which the local goodwill is attached;

D To the extent that the *Crazy Horse* case is authority to the contrary, I prefer not to follow it.”

In *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited and others* [2008] EWHC 3032(Ch) Arnold J stated:

“215.Fourthly, in order to found a passing off claim in the United Kingdom, the claimant must own goodwill in the United Kingdom. It is not enough to have a reputation here: see *Anheuser-Busch Inc v Budejovicky Budvar NP* [1984] FSR 413.

216.Fifthly, it is sufficient for goodwill to exist in the United Kingdom that the claimant has customers or ultimate consumers for his goods here, and for this purpose it is immaterial whether the claimant (a) has some branch here or (b) trades directly with customers here without having any physical presence in the jurisdiction (for example, by mail order) or (c) trades through intermediaries such as importers and distributors (provided that the circumstances are not such that the goodwill is owned by the intermediary): see e.g. *SA des Anciens Etablissements Panhard et Levassor v Panhard Levassor Motor Co* [1901] 2 Ch 513, *Manus v Fullwood & Bland* (1949) 66 RPC 71, *Nishika Corp v Goodchild* [1990] FSR 371, and *Jian Tools for Sales v Roderick Manhattan Group*[1995] FSR 924.”

49) Denmark has to establish the it has customers in the United Kingdom, it does not have to have a physical foot in the jurisdiction. (There is no evidence as to what the “strategic partnership” with CSS Group.) In order to have effect in relation to the law of passing-off, it must also establish to what the goodwill, if any, relates; ie the goods and/or services in relation to which the signs it relies upon have been used. Taking into account the number of invoices that have been adduced, it is accepted that Denmark had goodwill in the United Kingdom prior to 15 December 2011. The claim in relation to goodwill in the grounds is far ranging and certainly not justified by the evidence. Owing to the redaction of the invoices it is not possible to clearly glean in relation to what its goodwill specifically relates to in the United Kingdom. “Consulting agreement” is completely nebulous. “Ground transportation” in the context of the pleadings tells one nothing specific, is this the transport of goods, of persons, a chauffeur service? “Risk assessment” is also nebulous in itself and in the context of the pleadings eg risk assessment could relate to economic forecasting. There is an absence of specificity in the statements of Mr Lundsgaard in relation to the specific services that have been supplied for United Kingdom customers. Mr Lundsgaard states that the invoices have been redacted owing to the confidential nature of Denmark’s business. It is not understood, given the redaction of names and for the most part addresses, why it was necessary to redact the parts of the invoices that identify what services were furnished. Mr Lundsgaard could have requested that non-redacted invoices were adduced on the basis of being

granted confidentiality. Mr Lundsgaard also does not give specificity as to the actual services that have been offered to United Kingdom customers. Owing to these lacunae in the evidence, it is not possible to decide on the parameters of the goodwill that Denmark has and, consequently, not possible to decide in relation to which services of the application there could be misrepresentation and damage, if there were to be any consequent damage. (If the terms shown in the invoices were considered in the context of the examples of publicity for Denmark (eg page 2 of JL1) and the statements of Mr Lundsgaard, rather than the claim in the statement of case, this would still not allow for enough specificity to define in relation to what services the goodwill is attached.)

50) The ground of invalidation under section 5(4)(a) of the Act is dismissed.

Section 3(6) of the Act – bad faith

51) In *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch) Arnold J considered the general principles relating to filing an application in bad faith:

“130. A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/Article 3(2)(d) of the Directive/Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, "Bad faith in European trade mark law" [2011] IPQ 229.)

131. First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see *Case C-529/07 Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132. Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2008] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. *Case C-259/02 La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and *Case C-192/03 Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133. Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe*

GmbH v Astral Property Pty Ltd (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134. Fourthly, bad faith includes not only dishonesty, but also "some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined": see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135. Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136. Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137. Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138. Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

"41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48).”

In *Malaysia Dairy Industries Pte Ltd v Ankenævnet for Patenter og Varemærker* Case C-320/12 the Court of Justice of the European Union (CJEU) stated:

“1. Article 4(4)(g) of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks must be interpreted as meaning that the concept of ‘bad faith’, within the meaning of that provision, is an autonomous concept of European Union law which must be given a uniform interpretation in the European Union.

2. Article 4(4)(g) of Directive 2008/95 must be interpreted as meaning that, in order to permit the conclusion that the person making the application for registration of a trade mark is acting in bad faith within the meaning of that provision, it is necessary to take into consideration all the relevant factors specific to the particular case which pertained at the time of filing the application for registration. The fact that the person making that application knows or should know that a third party is using a mark abroad at the time of filing his application which is liable to be confused with the mark whose registration has been applied for is not sufficient, in itself, to permit the conclusion that the person making that application is acting in bad faith within the meaning of that provision.

3. Article 4(4)(g) of Directive 2008/95 must be interpreted as meaning that it does not allow Member States to introduce a system of specific protection of foreign marks which differs from the system established by that provision and which is based on the fact that the person making the application for registration of a mark knew or should have known of a foreign mark.”

In *Boxing Brands Limited v Sports Direct International Plc and others* [2013] EWHC 2200 (Ch) Birss J stated:

“79. Mr Purvis also referred to the recent decision of the CJEU in *Malaysia Dairy v Ankenævnet for Patenter og Varemærker* Case C-320/12 [27 June 2013]. In this case the court held that when considering the overall assessment in relation to the bad faith ground, *“the fact the applicant knows or should know that a third party is using such a sign is not sufficient in itself to permit the conclusion that that applicant is acting in bad faith. Consideration must, in addition, be given to the applicant's intention at the time when he files the application for registration of a mark, a subjective factor which must be determined by reference to the objective circumstances of the particular case.”* This must be right. If a business person decides entirely independently that they are going to register a given trade mark for a particular set of goods, the fact that they might happen to find out that someone else is also interested in the same thing cannot necessarily put them in a worse position. The issue will be highly sensitive to the circumstances.”

52) In relation to the bona fides of Korea, Denmark claims that it copied information from its website. Mr Kim denies this. Mr Lundsgaard restates that this took place. He states that the part of the website to which objection was raised could not be preserved. As Denmark was complaining about the behaviour of Korea and threatening legal action, it is to be expected that it would have printed the relevant page(s) from the website of Korea or taken screenshots. There is certainly no reason that the claimed offending material could not be preserved. Mr Lundsgaard refers to the correspondence sent to Korea re this matter. However, it is garbled and unclear and makes no reference to specific matter in relation to which copyright infringement is claimed. On the basis of the clear denial by Mr Kim of the claim by Denmark and the absence of any corroborating evidence, it is not accepted that Korea was copying from the website of Denmark prior to the filing of its application for registration. The examples of copying from other websites do not undermine the bona fides of Korea. They do not show that Korea was scraping the website of Denmark.

53) Denmark submits that Korea should have known about it when it started to use Shield in its name; that it should have conducted an Internet search. There is no requirement to carry out searches, although it might be prudent so to do. Even if a search had been carried out, there would have been issues of territoriality; the correspondence from Denmark to Korea indicates that Denmark was not au fait with the territorial nature of intellectual property rights. Denmark also considers that Mr Kim should have known of it because he had previously worked for a Swedish firm in the security sector. Although Mr Kim worked for a Swedish firm he does not state that he was working for it in Sweden; he states that he was working in a branch of the firm. Mr Kim's submission that in relation to security services shield is an appropriate name is correct, it is highly allusive.

The evidence from ASIS shows that there is a crowded market place in relation to security services; it advises that it has 38,000 members; no doubt there are others in the market place who are not in that organisation. (In the Google analytics of the website of Denmark, Korea does not appear in the first ten countries identified and the number of hits for the tenth country is very limited.)

54) Denmark also submits that Korea applying for a Community trade mark and a United Kingdom trade mark on the same day is also indicative of bad faith. A Community trade mark, owing to the possible number of attacks from the member states of the Union, is more of a hostage to fortune than a national trade mark. There is nothing indicative of bad faith in applying for a national and a Community trade mark at the same time.

55) There is no evidence that Korea knew that Denmark was using the signs upon which it relies in the United Kingdom. There is not even any clarity in the evidence in relation to what services the signs have been used. Considering the threats that Denmark made to Korea in relation to its use of Shield in its name, it would be commercially prudent for Korea to seek the benefits of a trade mark registration in the United Kingdom prior to conducting any business here. As Walton J commented in *Athlete's Foot Marketing Associates Inc v Cobra Sports Ltd* [1980] RPC 343:

“Of course, again, it may very well have been that the defendants advanced their own use of the name when they realised, as a result of Mr. Parkin's “cautious conversation” that someone else was about to use their chosen name first. This would be ordinary commercial prudence. All this means legally is that they got their foot in the door first.”

Effectively, Denmark has tried to conflate a relative grounds dispute into an absolute grounds dispute. Claims to conflicting rights do not per se give rise to bad faith. In the objective circumstances of the case, it cannot be found that the filing of the application in the United Kingdom was an act of bad faith. **The ground of invalidation under section 3(6) of the Act is dismissed.**

Costs

56) Korea having been successful is entitled to a contribution towards its costs. Costs are awarded upon the following basis:

Preparing a statement and considering statement of Denmark:	£400
Preparing evidence and considering the evidence of Denmark:	£600
Written submissions:	£500
Total:	£1,500

Shield Risk Consulting ApS is ordered to pay Shield International Security Co Ltd the sum of £1,500. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 4th day of April 2014

**David Landau
For the Registrar
the Comptroller-General**

ⁱ *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC 429 and *Inter Lotto (UK) Ltd v Camelot Group PLC* [2004] RPC 8 and 9.

ⁱⁱ *Case C-529/07 Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*.