

**DECISION OF THE CONTROLLER OF PATENTS, DESIGNS AND TRADE  
MARKS IN PROCEEDINGS UNDER THE TRADE MARKS ACT, 1996**

In the matter of an application for registration of Trade Mark No. 248164 and in the matter of an Opposition thereto.

**ALLENKEY FITTINGS LIMITED**

**Applicant**

**KEE SAFETY LIMITED**

**Opponents**

**The Application**

1. On 15 November, 2012 (the relevant date), ALLENKEYFITTINGS LIMITED, of Unit 6, Block W, Ballymount Industrial Estate, Walkinstown, Dublin 12, Ireland made application (No. 2012/01981) under Section 37 of the Trade Marks Act, 1996 (“the Act”) to register AllenkeyGuard as a Trade Mark in respect of the following goods:

**Class 6:** Free standing roof edge guardrails, comprised of steel tube and tubular fittings, which are used as part of a safety system for people working at heights.

**Class 17:** A rubber-based material moulded from a mixture of granulated recycled tyre material for use as a counterbalance for a free standing guardrail.

**Class 37:** Roofing services namely installation of fall protection systems for people working on roofs

2. The application was accepted for registration and advertised accordingly under No. 248164 in Journal No. 2222 dated 13 February, 2013.
3. Notice of Opposition to the registration of the mark pursuant to Section 43 of the Act was filed on 10 May, 2013 by Kee Safety Limited of Cradley Business Park, Overend Road, Cradley Heath, West Midlands B64 7DW, United Kingdom, in relation to all the goods and services covered by the application. The Applicant filed a counter-statement on 8 August, 2013 and evidence was, in due course, filed by the parties under Rules 20, 21 and 22 of the Trade Marks Rules, 1996 (“the Rules”).

4. The Applicant elected to file written submissions in lieu of attending at the Hearing, while the Opponent elected to attend the Hearing, which I presided over on 28 March, 2017. The parties were notified on 25 April, 2017 that I had decided to uphold the opposition and to refuse the registration of the mark. I now state the grounds of my decision and the materials used in arriving thereat in response to a request by the Opponent in that regard pursuant to Rule 27(2) of the Rules.

**Grounds of Opposition**

5. In its Notice of Opposition the Opponent states it was established in the UK in 1934 and is a leading global supplier of components and bespoke systems for railings, barriers, roof edge protection and fall prevention. It is the proprietor of a large number of Community Trade Marks, including the two listed in the table below upon which the opposition is grounded, and has used these earlier marks in Ireland and elsewhere in relation to the goods for which the marks are registered. The Opponent states it has a substantial reputation in Ireland and in Europe under these earlier marks and that they are entitled to protection under the Paris Convention as well-known trade marks.

<b>Trade Mark</b>	<b>Number</b>	<b>Goods</b>
KEEGUARD	001608322	Class 6: Metal tubing (none being boiler tubes or parts of machines); connectors; brackets and support brackets; keys; handrails and handles; parts and fittings for all the aforesaid goods.
KEEGUARD CONTRACTOR	011018991	Class 6: Metal tubing; metal tube and metal pipe fittings; metal fittings for joining tubes and structures assembled from such tubes, pipes and fittings; perimeter protection systems and equipment; roof edge fall protection systems; articles of metal for arresting the fall of persons from structures; railings, hand rails and grab rails; guard rails, barriers; safety barriers; connectors; support brackets; counterbalances; base weights; base plates; clamps; anchors and anchoring systems; fixing, fastening, clamping and anchoring devices; parts and fittings for the aforesaid. Class 9: Counterbalances; base weights. Class 20: Anchors and anchoring devices; base plates and weighted bases not of metal.

6. The Opponent raises objection to the present application under various Sections of the Act, which I shall summarise as follows:

- Section 8(1)(a) – *the mark is not capable of acting as a trade mark;*
- Section 8(1)(b) – *the mark is devoid of any distinctive character;*
- Section 8(1)(c) – *the mark consists exclusively of indications which serve to designate the characteristics of the goods for which registration is sought;*
- Section 8(1)(d) – *the mark consists exclusively of indications which have become customary in the trade;*
- Section 8(3)(b) – *the mark is of such a nature as to deceive the public;*
- Section 8(4)(a) – *use of the mark is prohibited by law;*
- Section 8(4)(b) – *the application was made in bad faith;*
- Section 10(2)(b) – *likelihood of confusion on the part of the public, and likelihood of association with the Opponent’s trade marks;*
- Section 10(3) – *use of mark would take unfair advantage of or be detrimental to the distinctive character or reputation of the Opponent’s marks;*
- Section 10(4)(a) - *use of mark is liable to be prevented by virtue of any rule of law protecting an unregistered trade mark or other sign.*
- Sections 37(2) and 42(3) – *the application has failed to satisfy the requirements of registration in that the Applicant does not use or have a bona fide intention of using the mark in relation to all of the goods covered by the application.*

7. This is an extensive list and it was abundantly clear from the outset that many of the grounds cited simply could not succeed or would not be pursued, or supported by either evidence or arguments, during the course of these proceedings. The inclusion of such grounds is of zero benefit to the Opponent, but may have an adverse effect on the Opponent when the issue of costs is being determined. Therefore, I would (again) advise parties to focus their oppositions on relevant and legitimate grounds.

### **Counter Statement**

8. In its Counter Statement the Applicant states it was established in 1981, specialises in tubular fittings and structures, and has carried on a business supplying fall protection equipment, roof edge protection barriers and safety guardrails since that date. In recent years the Applicant has added building maintenance units to its portfolio. Other than offering this background information regarding its business, the Applicant states it has

either no knowledge of, or denies, the statements and allegations made by the Opponent in its Notice of Opposition.

### **Rule 20 Evidence**

9. Evidence submitted by the Opponent under Rule 20 consists of a Statutory Declaration and supporting evidence by way of fifteen exhibits (“NR1” to “NR15”) dated 28 November, 2014, of Mr. Neil Russ, Group Finance Director and Company Secretary of the Opponent. In his declaration Mr. Russ outlines his company’s origins, its business profile, product history and the extent to which his company has operations around the world. He attaches at Exhibit NR1 his company’s current registration with the UK Companies House and at Exhibit NR2 extracts from his company’s website showing the company history dating back to 1934.
  
10. Mr. Russ states that his company’s predecessors in title developed the KEE KLAMP fitting which was used in the formation of milking stalls for cattle. In 1936 the company began to market the KEE KLAMP fittings more widely and, recognising the increased reliance on the mark KEE KLAMP, on 28 March 1945, the directors of the company resolved that a “limited company be requested with the name Kee Klamps Limited”. He attaches at Exhibit NR3 a copy of the minutes of that Director’s meeting, on the said date, attesting to these facts.
  
11. Mr. Russ then speaks about use and registration of the trade mark KEE KLAMP and attaches at Exhibit NR4 an extract from the UK Register, which dates back to 1946. Ownership of this trade mark passed to his company as a result of its purchase of the assets of Kee Klamps Limited in July 1996. He attaches at Exhibit NR5 a copy of the relevant Sale Agreement.
  
12. Mr. Russ states the term “KEE” has been used as a brand identifier for many of his Company’s product lines across the world, including KEELINE, KEENECT, KEEGUARD, KEE ANCHOR, KEE HATCH, KEE ACCESS, KEE DOME and KEE WALK. He says the term KEE has become synonymous with the products of his company. He attaches at Exhibit NR6 brochures distributed by his business in Poland, Germany, France and the USA, all of which heavily feature “KEE” brands. He attaches at Exhibits NR7 details of his company’s worldwide trade mark portfolio and, at Exhibit

NR8, register printouts of the two specific earlier trade marks relied upon in these proceedings.

13. He states the earlier trade mark KEEGUARD was first used in 1995 and products were first sold under this mark in Ireland in 2002. He attaches at Exhibit NR9 a copy of the Design Manual for KEEGUARD products which is issued to all distributors and sets out the history of the brand together with an invoice dated 2002 to Allenkey Fittings Limited (the Applicant) in respect of KEEGUARD goods. He provides details of global turnover and advertising expenditure for the years 2003-2014 and, separately, details of turnover in Ireland for the years 2002-2011.
14. Mr. Russ then goes on to speak about the relationship between his company and the Applicant. The Applicant first sold KEEGUARD products in 2002 and from 1 November 2004 an exclusive Distribution Agreement was entered into, which lasted for 7 years. A copy of this agreement is attached at Exhibit NR13. Following a dispute in October 2011 the Opponent decided to end its distributorship agreement with the Applicant. He states that throughout the 7 years of the Distribution Agreement the Applicant undertook promotional activities which were supported by his Company; an example of which was an advertisement attached at Exhibit NR13. He says the dispute arose because the Applicant defaulted on payments of invoices to his Company and that the Applicant was sourcing goods from alternative suppliers during the term of the agreement. He states that by letter dated 6 October 2011 a plan to settle outstanding financial obligations was sent to the Applicant together with a request that all references to his Company's marks be removed from the Applicant's website, sales literature, etc. He attaches at Exhibit NR14 copies of these documents.
15. Since 2012 his company's goods have been sold in Ireland by two distributors, MD Safety Services Limited and Irish Fencing and Railings Limited and he provides brochures for these companies at Exhibits NR10 and NR 11 respectively, which highlight KEEGUARD products.
16. The remainder of Mr. Russ's declaration addresses what he describes as the Applicant's best endeavours, from the termination date of the Distribution Agreement in October 2011, to conceal from the public the changes in arrangements which had taken place. He

states the Applicant endeavoured to substitute its own mark in a way which attempted to retain as much likeness to his Company's marks as possible. In support of this claim he provides, at Exhibit NR15, copies of archived materials from the Applicant's website from October 2006 to April 2013 showing the before and after (the termination date of the agreement) content and how the look, imagery and content of the webpages differed only insofar as mention of the Opponent's marks were replaced by very similar words or marks. For example, "KeeGuard®" became "Allen Key Guard", which subsequently became "AllenKey Guard" and "Kee Klamp Brochure" became "AllenKey Klamp Brochure" then later "AllenKey Clamp Brochure". Furthermore, he states the archived material shows that use of pictures of installations of various barrier and protection systems, used to promote his Company's products, remained on the Applicant's website after termination of the Distribution Agreement and were there for some time. He states the Applicant made these changes and used the images to ensure its website and its offerings were as close as possible to that which was available during the currency of the Distribution Agreement.

### **Rule 21 Evidence**

17. Evidence submitted by the Applicant under Rule 21 consisted of a Statutory Declaration of Niamh Power, Director of Allenkey Fittings Limited, dated 1 December 2015 and seven supporting exhibits labelled "NP-1" to "NP-7".
  
18. Ms. Power states that her Company was incorporated on September 4, 1981 and has been trading as Allenkey Fittings Limited since that time, and attaches at Exhibit NP-1 an extract from the Companies Register showing this.
  
19. Ms. Power says her Company invented the trade mark AllenkeyGuard by combining part of its trading name, namely "Allenkey" with an abbreviation of the words guard rails, namely guard, which her Company supplies and fits. She says the mark has been used by her Company since at least as early as November 2011.
  
20. Ms. Power then goes on to detail the material submitted by way of exhibits. Exhibit NP-2 contains copies of invoices from 2012 showing the mark in use. Exhibit NP-3 is an e-mail dated 9 November 2012 containing references to Allen Key Guard products. Another e-mail, dated 14 November 2012, is attached at Exhibit NP-4, and refers to the first

AllenkeyGuard system installed at Procter & Gamble in Nenagh, Co. Tipperary. The e-mail was sent with attached photographs of the installation, but the photographs were not adduced in evidence.

21. Ms. Power attaches at Exhibit NP-5 the front and back of a flyer for use by her Company's UK Distributor dated 13 November 2012. Exhibit NP-6 is a copy of a brochure sent by e-mail to her Company's exclusive distributor in the UK on 5 March 2013. The e-mail also refers to a one page advertisement taken out in the Keystone Ireland Magazine which ran in the April/May 2013 edition with the editorial announcing International Tube & Fitting as her Company's exclusive distributor in the UK. Lastly Exhibit NP-7 comprises an Office of Public Works tender, wherein Allenkeyguard is mentioned, received by e-mail on 12 November 2014.
22. Ms. Power then turns her attention to the Statutory Declaration of Mr. Russ. She questions the accuracy of some of Mr. Russ's statements regarding the history of the Opponent's business and his claimed use of the term "KEE" as part of a global trade mark dating back to the 1930's. Ms. Power also identifies what she describes as inconsistencies and contradictions within Mr. Russ's evidence.
23. Ms. Power vehemently denies the Opponent's allegation that the application was made in bad faith and any suggestion that it was motivated by dishonesty. She says the Applicant has a reputation in the State in respect of the goods for which the mark has been applied and that adding the term "Guard" (an abbreviation of the generic and descriptive term guardrail) to her Company's Allenkey name renders it distinctive and allows it to function as an indication of origin for goods sold under the mark AllenkeyGuard.
24. Ms. Power states her Company has been using the term Allenkey as part of its name since it was established in 1981. Her Company has traded with the Opponent since then and thus the Opponent was aware of her Company's name. She says it was not her Company's intention to copy the Opponent's mark when arriving at the mark AllenkeyGuard and that the similarity between the "key" and "KEE" elements of their respective marks is merely coincidental.

25. Ms Power admits her Company had a commercial relationship with the Opponent and that it bought the Opponent's products and sold them in Ireland and used the promotional material for the Opponent's products supplied by the Opponent with their knowledge as the Opponent's distributor in the State. Throughout their business relationship the Opponent supported the marketing and promotional activities of her Company solely in relation to the promotion of the Opponent's products, as per the Distribution Agreement between the parties.
26. Ms. Power states that while the exclusive Distribution Agreement was terminated in October 2011, it was not because her Company defaulted on payment of the Opponent's invoices, as claimed by the Opponent. She says the dispute had been ongoing and centred on the Opponent charging her Company the UK Distributor Sterling Price List, instead of the Export Price List. In addition, she states, her Company became aware that the Opponent was in serious breach of the "exclusive" nature of the Agreement as they had been selling their products to another company in the State. She says that there was no agreed payment plan as claimed by Mr Russ. The Opponent did write to her Company on 6 October 2011 and her Company's solicitor replied with evidence showing how the Opponent had overcharged her Company and requested the Opponent's views, but their solicitor has yet to receive a reply.
27. Her Company decided that it could no longer deal with the Opponent and as a result the Opponent is setting out to hinder her Company in its efforts to trade in the State in the way it has done since 1981.
28. Ms. Power denies the Opponent's claim that her Company used its best endeavours to conceal from the public the changes in arrangements which had taken place. She states that as the Opponent's former distributor it was expected that her Company's promotional material and website should contain references to the Opponent's products. Her Company's relationship with the Opponent was longstanding and ended abruptly, and as with any major business reorganisation, it can take time for changes to filter through to websites etc. Once her Company had finalised its AllenkeyGuard trade mark and were asked to remove references to the Opponent's mark from her Company's literature and website, it did so.



29. She states her Company began trading under the mark AllenkeyGuard as early as November 2011 and filed its application for registration of the mark in November 2012, once the form of the mark had been finalised. She says that since products sold under her Company's mark were launched her Company is not aware of any incidences of confusion with the products sold under the Opponent's marks KEEGUARD and KEEGUARD CONTRACTOR.

### **Rule 22 Evidence**

30. Evidence submitted by the Opponent under Rule 22 consists of a second Statutory Declaration of Neil Russ of 8 June, 2016 and four accompanying exhibits "NR16" to "NR19".

31. In it Mr. Russ comments on Ms. Power's declaration and the Applicant's claimed use of the disputed mark since November 2011. He notes the Applicant used various forms of the mark prior to filing an application for registration and that Ms. Power's evidence shows it was only a day or two prior to filing the opposed application that the Applicant used the mark AllenkeyGuard as filed (i.e. in single word format).

32. Mr. Russ says the invoices exhibited by Ms. Power at Exhibit NP2 all post-date the relevant date and should be disregarded as evidence. He says that other exhibits do not actually demonstrate use of the mark applied for in Ireland as material exhibited at NP4, NP5 and NP6 appear to be in respect of use by the Applicant's exclusive UK distributor, which only relate to use in the UK market. He says NP7 is unreliable as it is dated by hand (marked 12 November 2014), but does not contain a copy of the e-mail through which it is supposed to have been transmitted, which would have displayed a verifiable date. This too, in his opinion, should also be disregarded. All this, he says, shows that it was very close to the filing date of the application that the mark was used in single word format and not as early as 2011 as claimed by Ms. Power.

33. Mr. Russ then goes on to address Ms. Power's claims regarding inaccuracies and inconsistencies in his first Statutory Declaration regarding the history of his Company and its use of its various trade marks since the 1930's. However, I need not go into any detail as the questions raised by Ms. Power and Mr. Russ's clarifying replies have no bearing on the substantive matter at hand.

34. He maintains his position that there was a payment plan agreed in respect of the outstanding monies owed to his Company by the Applicant and says his Company has no record of any correspondence, prior to these trade mark opposition proceedings, from the Applicant's solicitors regarding claims of overcharging. He notes that Ms. Power did not submit into evidence a copy of this claimed letter from the Applicant's solicitor.
35. Mr. Russ completes his declaration by stating his Company has no difficulty with the Applicant's business but is concerned only that trade is conducted under trade marks that are not confusingly similar and do not take advantage of the goodwill and reputation of Kee Safety Limited. He acknowledges Ms. Power's argument that his Company did not object to the company name Allenkey Fittings Limited, but says that this does not change the fact that the respective marks are confusingly similar. He says the Applicant's explanation regarding the adoption of the disputed trade mark is not plausible or credible, especially in light of the Applicant's behaviour following the ending of the business relationship.

### **Arguments of the Parties**

36. The Applicant elected to file written submissions, prepared by Alison Boydell, Trade Mark Attorney of Anne Ryan & Co., in lieu of attending at the Hearing. At the Hearing the Opponent was represented by Yvonne McNamara B.L., instructed by Louise Carey, Trade Mark Attorney of Tomkins & Co.
37. In its written submissions lodged in lieu of attending at the Hearing, the Applicant explains that there were inconsistencies in how its trade mark was being used by staff. Some used Allenkey Guard while others used AllenkeyGuard, and argues that, as there is only a single space difference between the two versions, it does not change how the mark is perceived and, in any event, the two versions are aurally identical.
38. The Applicant then goes on to address each of the eleven grounds of opposition in turn. In opening her oral submissions Ms. McNamara identified four grounds on which the Opponent wished to pursue the matter, namely, similarity between marks and goods (Section 10(2)(b)), taking unfair advantage (Section 10(3)), passing-off (Section 10(4)(a)) and bad faith (Section 8(4)(b)) and abandoned all other grounds. Therefore, I

will decide this matter of those four grounds alone. Though, I must highlight again the fact that the Opponent put the Applicant to unnecessary time and expense in dealing with grounds that were spurious to say the least, and abandoned far too late in the day.

39. Ms. McNamara also identified the following six key facts that she says go to all four grounds of opposition:

- i. The Applicant was the exclusive distributor, underpinned by a formal distributor agreement, of the Opponent's goods for 7 years.
- ii. The Applicant distributed KEEGUARD branded products under that agreement.
- iii. The Opponent benefitted from substantial goodwill and reputation under its KEEGUARD marks for barriers systems and related products.
- iv. The Applicant applied for the registration of the trade mark AllenkeyGuard one year after the termination of the distributor agreement.
- v. The Applicant's mark is similar to the Opponent's marks.
- vi. The Applicants mark is to be registered for identical or similar products for which the Opponent's marks are registered.

40. I will address the relative grounds (Section 10) of opposition first and come back to the absolute ground concerning bad faith (Section 8).

**Section 10(2)(b)**

41. The relevant part of Section 10(2) of the Act, insofar as the present application is concerned, reads as follows:

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

*...*

*(b) it is similar to an earlier trade mark and would 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 of the later trade mark with the earlier trade mark.*

42. As is evident from the wording of Section 10(2), the four basic requirements that must be met in order for an objection under it to succeed are that, (i) there must be “an earlier trade mark”, (ii) the mark applied for must be similar to that earlier trade mark, (iii) the goods/services of the application must be identical with or similar to those in respect of which the earlier trade mark is registered, and, (iv) there must be a resultant likelihood of confusion on the part of the public.
43. The first requirement is met as the Opponent’s marks were filed at the European Union Intellectual Property Office prior to 15 November 2012 (the relevant date) and by virtue of Section 11(1)(b) of the Act, are earlier trade marks as against the present application for the purposes of Section 10.

### **Comparison of the marks**

44. I have compared the respective marks of the parties on the criteria of visual, aural and conceptual similarity and have attempted to make an overall assessment of the extent to which they should be regarded as similar or different. It is important to stress that this is an assessment of the overall impression the marks make on me, having put myself in the shoes of the average consumer of the goods and services for which the Applicant is seeking registration.
45. Notwithstanding the detailed comparisons I make below I am mindful that the European Court of Justice has noted (*Sabel BV v Puma AG and Rudolf Dassler Sport Case C-251/95*)<sup>1</sup> that “*the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details*”. For this reason, the appreciation of the visual, aural and conceptual similarity of the marks must be based on the overall impressions given by them, rather than on specific points of detail that are likely to go unnoticed by the average consumer.
46. Both marks contain elements (key and kee) that are pronounced in the same way but which are slightly different from a visual perspective. Both marks contain the word “Guard”. The disputed mark contains the prefix “Allen” which is not to be found in the earlier marks. Therefore, nearly the entire of the Opponent’s KEEGUARD mark is

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<sup>1</sup> Paragraph 23 of decision dated 11 November, 1997

contained within the Applicant's mark. But the addition of the word Allen serves to put some distance between the marks when determining the level of visual similarity. Furthermore as the differences between the marks pertain to the start of the marks, which is more likely to be noticed by consumers, from a visual aspect I find the marks are more dissimilar than similar.

47. Aurally the Opponent's mark KEEGUARD is identical to the KeyGuard elements of the disputed mark. Though the inclusion of the Allen element in the Applicant's marks introduced a degree of dissimilarity, nonetheless the marks must be viewed as being more aurally similar than dissimilar. I find the marks share a medium to high degree of aural similarity.
48. Conceptually the Opponent's KEEGUARD mark conveys to me the message of protection or security systems from a business run by a family named "Kee". This differs from the message conveyed by the Applicant's mark which is of a protection or security system connected with the use of an allenkey (a generic term for a hexagonal-headed spanner or wrench). As such, the conceptual meanings behind the respective marks are somewhat different. I would assess the level of conceptual similarity as low.
49. Both marks share the word GUARD. Irrespective of how the marks are presented the consumer will notice and view this part of the respective marks as an independent element comprising the common word "guard". However, the CJEU has ruled in *Sabel*<sup>2</sup> (at paragraph 23) that the "*visual, aural and conceptual similarities of the marks in question must be based on the overall impressions created by the marks bearing in mind, in particular, their distinctive and dominant components*" and that the "*average consumer normally perceives a mark as a whole and does not proceed to analyse its various details*". Accordingly, for the purposes of assessing the similarity between the marks, I must take into account the fact that the word Guard is descriptive of the goods and services for which the Applicant seeks registration and of the goods for which the Opponent's marks are already registered. This element is not distinctive, nor is it the dominant element of the marks in play. Bearing in mind all relevant factors and having

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<sup>2</sup> Sabel BV v. Puma AG, Case C-251/95

undertaken the necessary assessment I am satisfied the marks are slightly more dissimilar than similar.

**Comparison of the goods/services**

50. Also, according to *Canon*<sup>3</sup>, in assessing the similarity between goods or services, all the relevant factors which characterise the relationship which may exist between them should be taken into account. Those factors include their nature, their intended purpose and their methods of use and whether they are in competition with each other, or are complementary.

51. The goods and services covered by the respective parties marks are as followings:

Applicant	Opponent
<p>AllenkeyGuard:</p> <p>Class 6: Free standing roof edge guardrails, comprised of steel tube and tubular fittings, which are used as part of a safety system for people working at heights.</p> <p>Class 17: A rubber-based material moulded from a mixture of granulated recycled tyre material for use as a counterbalance for a free standing guardrail.</p> <p>Class 37: Roofing services namely installation of fall protection systems for people working on roofs</p>	<p>KEEGUARD:</p> <p>Class 6: Metal tubing (none being boiler tubes or parts of machines); connectors; brackets and support brackets; keys; handrails and handles; parts and fittings for all the aforesaid goods.</p> <p>KEEGUARD CONTRACTOR</p> <p>Class 6: Metal tubing; metal tube and metal pipe fittings; metal fittings for joining tubes and structures assembled from such tubes, pipes and fittings; perimeter protection systems and equipment; roof edge fall protection systems; articles of metal for arresting the fall of persons from structures; railings, hand rails and grab rails; guard rails, barriers; safety barriers; connectors; support brackets; counterbalances; base weights; base plates; clamps; anchors and anchoring systems; fixing, fastening, clamping and anchoring devices; parts and fittings for the aforesaid.</p> <p>Class 9: Counterbalances; base weights.</p> <p>Class 20: Anchors and anchoring devices; base plates and weighted bases not of metal.</p>

In my opinion, it is abundantly clear the two parties are trading in the same economic space and in the same goods. The Applicant accepts there is identity between its goods in Class 6 and those of the Opponent in that class. However, the Applicant argued its goods

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<sup>3</sup> Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc, (Case C-39/97 paragraph 23)

in Class 17 bear no resemblance to the Opponent's goods. I disagree. When comparing goods and services, I must conduct my examination solely on the basis of the goods and services, and not be unduly influenced or distracted by the classes in which they are specified. In many cases applicants have options as to what class to select in respect of their goods and services. While the Applicant has chosen Class 17 for its counterbalances, the Opponent has registered its counterbalances and weighted bases in Class 9 and Class 20. This does not make them different goods. They are identical goods, albeit that they appear in different classes. Likewise, the Applicant's identification of its counterbalances as being rubber-based does not render them different to the Opponent's Class 9 or Class 20 goods, which cover counterbalances and weighted bases made using all types of material, including rubber. Accordingly, I find the Applicant's and Opponent's goods are identical.

52. Unlike the Applicant's mark the Opponent's marks are not registered for "*installation of fall protection systems for people working on roofs*" in Class 37. However, the goods are so fundamental to the provision of this service and as they perform life-saving and injury prevention functions they would, in my opinion, need to be installed, tested and maintained by experts, most likely the manufacture of the goods itself or its authorised distributors or agents. Therefore, applying *Canon*<sup>4</sup>, there is a strong and direct connection between the goods and the service of installing the goods. They have the same intended purpose – the supply of barrier safety systems; their method of use is identical and they are complementary to each other. Accordingly, I find the Applicant's installation services in Class 37 to be highly similar to the Opponent's goods.

### **Likelihood of confusion**

53. Also in *Canon*<sup>5</sup> the Court of Justice of the European Union (CJEU) ruled the global assessment of the likelihood of confusion implies some interdependence between the relevant factors, and in particular a similarity between the trade marks and between the goods or services.

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<sup>4</sup> Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc, (Case C-39/97 paragraph 23)

<sup>5</sup> Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc, (Case C-39/97 paragraph 17)

54. Having found the marks to be more dissimilar than similar, but the goods and services to be either identical or highly similar, the question is whether that similarity is sufficient to come within the meaning of Section 10(2)(b) of the Act? The criteria against which that assessment should be made have been enunciated in a number of decisions of the CJEU<sup>6</sup> in this area and they include the following:

- i. A lesser degree of similarity between the goods may be offset by a greater degree of similarity between the marks, and vice versa,
- ii. The more distinctive the earlier mark, the greater will be the likelihood of confusion,
- iii. In determining the distinctive character of the earlier mark, it is necessary to make an overall assessment of its capacity to identify the goods for which it is registered as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings,
- iv. In making that assessment, account should be taken of the inherent characteristics of the mark; the market share held by it; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested in its promotion; the proportion of the relevant public which, because of the mark, identifies the goods as originating from a particular undertaking; and statements from chambers of commerce and industry and other trade and professional associations,
- v. A global appreciation of the likelihood of confusion must, as regards the visual, aural and conceptual similarity of the marks in question, be based on the overall impression created by them, and the importance to be attached to each of those elements must take account of the category of goods and the way in which they are marketed,
- vi. The assessment must be made from the perspective of the average consumer who is deemed to be reasonably well-informed, observant and circumspect but who rarely has the chance to make a direct comparison of the marks and must rely on the imperfect picture that he has of them in his mind,

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<sup>6</sup> Sabel BV –v- Puma AG and Rudolph Dassler Sport (Case C-251/95) [1998] 1 CMLR 445; Canon Kabushiki Kaisha –v- Metro-Goldwyn-Mayer Inc. (Case C-39/97) [1999] 1 CMLR 77; Lloyd Schuhfabrik Meyer & Co. GmbH –v- Klijsen Handel BV (Case C-342/97) [1999] 2 CMLR 1343



- vii. The likelihood of confusion must be appreciated globally, taking into account all of the factors relevant to the circumstances of the case.

55. In applying those criteria to the facts of the present case, I have reached the following conclusions:

- i. Inherent distinctiveness of the earlier mark: On the one hand the “KEE” element of the Opponent’s marks has an average degree of inherent distinctiveness. On the other, the terms “guard” and “contractor” are descriptive of the products or the product seller or installer. Overall I find the Opponent’s KEEGUARD and KEEGUARD CONTRACTOR marks have a medium overall degree of inherent distinctiveness.
- ii. Additional distinctiveness acquired through use: I find the evidence does not point to the Opponent’s KEEGUARD CONTRACTOR having been widely used in Ireland and therefore I find it has not acquired additional distinctive through the use made of it. However, use by the Opponent of its KEEGUARD mark is long established and it would be recognised easily and known in the State by consumers of the goods at issue. I am satisfied that it has acquired additional distinctiveness through the use made of it.
- iii. The average consumer: The goods and services are specialised, and looked at from that perspective, the consumers of the relevant goods are the primarily experts in the roofing and construction sectors.
- iv. Degree of similarity between the marks and between the goods: For the reasons set out above, I regard the marks in question as being more dissimilar than similar. However, the goods and services covered by the Application are identical or highly similar to the goods of the earlier registrations, which means a lower level of similarity between the marks could be deemed sufficient to declare a likelihood of confusion exists.
- v. Overall impression created by the marks: The overall impression created by the marks in question is that they are more different than similar.

### **Overall assessment of likelihood of confusion**

56. In light of the foregoing factors, I am required to make an overall assessment of the likelihood of confusion that may exist between the Opponent’s earlier marks and the Applicant’s mark. The confusion in question may be direct confusion, whereby the

Applicant's goods and services are mistaken for those of the Opponent, or indirect confusion, whereby the Applicant's goods and services are associated in the mind of the consumer with that of the Opponent and a common commercial origin is inferred. I must look at the question of likelihood of confusion from a practical perspective in the context of the marketplace and put myself in the shoes of the average consumer. In that regard I must judge the matter of the assessment of likelihood of confusion in accordance with ECJ guidance to decision-makers, which can, for the purpose of these proceedings, be summarised as follows: *Imagine a typical purchasing scenario involving the average person who already knows products sold under the earlier trade mark and ask yourself whether it is likely that, on encountering the Applicant's mark when shopping, he will use the Applicant's retail services in the mistaken belief that the services are being provided by the undertaking he knows by the earlier mark (direct confusion) or that the retailer is linked economically to the undertaking he identifies by the earlier mark (indirect confusion by association).* It is not necessary to find that every consumer would be confused and nor is it sufficient to find that some consumers might be confused in order to refuse registration of a trade mark under the section. The question is whether it is likely or unlikely that the average person would be confused in the course of the typical purchasing scenario.

57. The comparison between the marks has identified some similarities. However, I find that when the respective marks are viewed as a whole, and allowing for imperfect recollection, the conclusion I draw is that the level of similarity that exists between the marks does not reach the threshold that would result in a likelihood of confusion arising. Accordingly, I dismiss the opposition on this ground.

**Detriment and unfair advantage - Section 10(3)**

58. Section 10 (3) of the Act is written in the following terms:

*“A trade mark which is identical with or similar to an earlier trade mark shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the State (or, in the case of a Community trade mark, in the Community) and the use of the later trade mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or reputation of the earlier trade mark.”*

59. There are four conditions which must be fulfilled in order for an opposition to succeed under this section. They are cumulative and failure to satisfy any one of them is sufficient to render this provision inapplicable. Firstly, there must be identity or similarity of the marks at issue; secondly, the earlier mark (or marks, as in this case) must have a reputation in the State or the European Union; thirdly, the use of the later trade mark must be without due cause; and fourthly, that use must take unfair advantage of, or be detrimental to, the distinctive character or reputation of the earlier marks.

60. I have already found that the first two conditions have been met – there is a level of similarity between the Applicant’s mark and the Opponent’s marks. It is important to point out here that under settled case law a likelihood of confusion is not a criterion<sup>7</sup> when deciding an opposition under Section 10(3) of the Act. Therefore, success or failure on Section 10(2) grounds does not impact upon the merits of an opposition based on Section 10(3). What is required is that the similarity is such that the average consumer establishes a link between the earlier mark and the Opponent’s sign. The Court of Justice of the European Court Union (CJEU) found in *Intel*<sup>8</sup> that such a link would be established if, for the average consumer:

*“... who is reasonably well informed and reasonably observant and circumspect, the later mark would call the earlier mark to mind is tantamount to the existence of such a link.”*

61. The evidence provided by the Opponent points to its marks being known to relevant consumers in Ireland and across the European Union in the specialised field of roof protection barriers. In his Statutory Declaration describes his Company as “*currently the world’s leading supplier of tubular and fall protection systems*” (a claim not contested by the Applicant). Figures for the years 2005-2014 show global expenditure by the Opponent on advertising and promotion exceeded £500,000 annually. While there is no breakdown of this amount between the European Union and the rest of the world, I think it is fair to draw a conclusion, based on the Opponent’s business being headquartered in the UK and that it has a sales office in Germany, that a not insignificant portion of that spend was in

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<sup>7</sup> Intel Corporation Inc. v CPM United Kingdom Limited Case C-252/07, at para 58.

<sup>8</sup> Intel Corp Inc. v CPM UK Limited Case C-252/07 at para 60.

respect of the EU. In light of the foregoing, it is fair to say the Opponent's marks enjoy the type of reputation Section 10(3) seeks to protect.

62. In her sworn Statutory Declaration Ms. Power explains the mark AllenkeyGuard was created by simply combining a part of her Company's name with an abbreviation of the word guardrail. Ms. Boydell in her legal submission argued the Applicant had due cause to use the mark based on the distinctive part of the Applicant's company name and the descriptive term "guard". These explanations, taken in isolation from other pertinent facts, point to the Applicant having due cause to use the mark. But I must consider all the facts of this case, in particular the obvious standout fact that the Applicant had a business relationship with the Opponent through which it used the Opponent's KEEGUARD marks.

63. While the term AllenkeyGuard is comprised of part of the Applicant's company name and the "guard" element is not distinctive for the goods and services for which registration is sought, nonetheless it shares a degree of similarity with the Opponent's KEEGUARD mark. When devising its trade mark the Applicant was not limited in any way and had many options available. But the Applicant chose the one combination that would create the maximum possible association with the Opponent's KEEGUARD marks, namely using the Allenkey element of the company name and combining it with "guard" in such a way to end up with a "keyguard" element which would create a definite link to the Opponent's KEEGUARD marks. In light of the Applicant's longstanding relationship with the Opponent, the last 7-years of which were in the role of the Opponent's exclusive distributor in Ireland, its use of the Opponent's KEEGUARD marks and the fact that the parties were now in direct competition with one another, I do not accept it had due cause to use the specific combination of elements it selected for its trade mark.

64. I must now consider whether the disputed mark would take unfair advantage of, or be detrimental to, the Opponent's earlier mark's distinctive character or reputation. The issue of unfair advantage and detriment are not concerned with likelihood of confusion or with passing off, and must be looked at in isolation from those aspects of this case. To find in favour of the Opponent on this ground I do not have to find that the Applicant's actions were both unfair and detrimental - it is sufficient that only one of the conditions be met.

Looking firstly at detriment to the distinctive character of a mark, a definition of what constitutes such an outcome was given by the CJEU in *Intel*<sup>9</sup> when at [29] is said:

*“As regards, in particular, detriment to the distinctive character of the earlier mark, also referred to as ‘dilution’, ‘whittling away’ or ‘blurring’, such detriment is caused when that mark’s ability to identify the goods or services for which it is registered and used as coming from the proprietor of that mark is weakened, since use of the later mark leads to dispersion of the identity and hold upon the public mind of the earlier mark. That is notably the case when the earlier mark, which used to arouse immediate association with the goods and services for which it is registered, is no longer capable of doing so.”*

65. The Court then went on to explain how such injury might be established. At [72] to [76] it said:

*“72. ...it is not necessary for the earlier mark to be unique in order to establish such injury or a serious likelihood that it will occur in the future.*

*73. A trade mark with a reputation necessarily has distinctive character, at the very least acquired through use. Therefore, even if an earlier mark with a reputation is not unique, the use of a later identical or similar mark may be such as to weaken the distinctive character of that earlier mark.*

*74. However, the more ‘unique’ the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character.*

*75. Secondly, a first use of an identical or similar mark may suffice, in some circumstances, to cause actual and present detriment to the distinctive character of the earlier mark or to give rise to a serious likelihood that such detriment will occur in the future.*

*76. Thirdly, as was stated on paragraph 29 of this judgment, detriment to the distinctive character of the earlier mark is caused when that mark’s ability to identify the goods or services for which it is registered and used as coming from the*

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<sup>9</sup> Intel Corporation Inc. v CPM United Kingdom Limited Case C-252/07 at para 29.

*proprietor of that mark is weakened, since use of the later mark leads to dispersion of the identity and hold upon the public mind of the earlier mark.”*

66. Before the Applicant decided to adopt the opposed mark, the Opponent was the only operator in the relevant market with ‘KEEGUARD’ products. Should the opposed mark proceed to registration there would be two operators in the market with ‘KEEGUARD’ or the highly similar ‘KEYGUARD’ in their trade mark. This may give rise to a misrepresentation – that there is still a distributorship between the parties or that products sold under the opposed mark are part of the KEEGUARD range or a variation of that range. Either of which could impact on the capacity of the KEEGUARD mark to identify the Opponent’s goods and only those goods.

67. In considering the taking of unfair advantage, I am mindful that the CJEU in *L’Oréal*<sup>10</sup> confirmed that actual damage was not required but said the following;

*“49. ...where a third party attempts, through the use of a sign similar to a mark with a reputation, to ride on the coat-tails of that mark in order to benefit from its power of attraction, its reputation and its prestige, and to exploit, without paying any financial compensation and without being required to make efforts of his own in that regard, the marketing effort expended by the proprietor of that mark in order to create and maintain the image of that mark, the advantage resulting from such use must be considered to be an advantage that has been unfairly taken of the distinctive character or the repute of that mark.”*

68. In the present case it is, in my opinion, highly probable that “blurring” may occur, whereby the Opponent’s marks capacity to identify the goods and services as being those of the Opponent is insidiously eroded over time by the use of a similar mark in relation to identical or highly similar goods and services that have another commercial origin. Also, there is every likelihood the Applicant will gain an unfair advantage by the use of a similar mark to the Opponent’s earlier KEEGUARD marks, which have a reputation for the highly similar or identical goods of the Applicant. I am satisfied the opposed mark has been adopted in an attempt to benefit from the power of attraction and the obvious and

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<sup>10</sup> *L’Oréal SA v Bellure NV* Case C-487/07 at para 49.

known (especially by the Applicant) reputation and prestige of the Opponent's marks. The advantage gained is by the way of savings on investment in marketing and advertising of its goods and services because the Applicant is benefiting, in an unfair manner, from the power of attraction of the Opponent's marks and high level of investment by the Opponent. Therefore, the application offends against Section 10(3) of the Act and must be refused.

### **Passing Off**

69. Section 10(4)(a) of the Act deals with passing off and is written in the following terms:

*“A trade mark shall not be registered if, or to the extent that, its use in the State 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.”*

70. This section is not concerned with whether passing off has actually taken place, but is directed towards the question as to whether registration should be permitted and so it is concerned with what would be the situation if the mark applied for was used. In *Miss World Ltd*<sup>11</sup> Laffoy J quoted from and applied the three-part test formulated by Lord Oliver in *Reckitt & Colman Products Limited v. Borden Inc. & Others*<sup>12</sup> (the so-called “*Jif Lemon*” case). In his speech (at paragraph 880) Lord Oliver said:

*“The law of passing off can be summarised in one short 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 a trade description, or the individual features of labelling or packaging) under which his particular goods*

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<sup>11</sup> *Miss World Ltd. v. Miss Ireland Beauty Pageant Ltd* [2004] 2 IR 394

<sup>12</sup> [1990] 1 All ER 873

*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. Second, 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. Whether the public is aware of the plaintiff's identity as the manufacturer or supplier of the goods or services is immaterial, as long as they are identified with a particular source which is in fact the plaintiff. For example, if the public is accustomed to rely on a particular brand name in purchasing goods of a particular description, it matters not at all that there is little or no public awareness of the identity of the proprietor of the brand name. Third, 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."*

71. The Applicant argues that in applying for the mark AllenkeyGuard it was not intending to pass its goods off as those of the Opponent. It claims the mark clearly functions as an indication of origin of goods and services sold and provided under it as originating from Allenkey Fittings Limited. The Applicant maintains that the test in *Jif Lemon* has not been satisfied.
72. At the Hearing Ms. McNamara argued there can be little doubt having regard to the evidence of the development of the KEE business and revenues achieved that the Opponent has a substantial goodwill and reputation in its marks for its products and services, not only in Ireland but internationally and in particular in the KEEGUARD mark. She argued it is notable that the Applicant does not dispute the existence of this goodwill and reputation – either in its evidence or its legal submission. She submitted that use by the Applicant of AllenkeyGuard on identical goods that the relevant public is used to buying from the Applicant under the KEEGUARD mark, as distributor of the Opponent, will inevitably lead to one of the misrepresentations referred to in *Jif Lemon*, namely that (i) the KEEGUARD mark has been changed; (ii) the Applicant has been allowed to make reference to itself in the mark for KEEGUARD products; (iii)



KEEGUARD products have been altered in some way by the Applicant or to suit the Irish market and (iv) that the products and/or parties are economically linked.

73. Furthermore, Ms. McNamara contended that it is axiomatic in passing off actions that the appropriation of the goodwill of an independent trader necessarily results in damage to that trader's goodwill.
74. Whether use of a mark should actually be prevented under the law of passing off is a matter for the Court to decide in a given case and, in so deciding, the Court is performing a different function to that performed by the Controller when considering an application for registration. In my opinion, the proper application of Section 10(4) insofar as the question of passing off is concerned requires a determination by the Controller as to whether the fundamental ingredients of an action for passing off would be present if the mark for which registration is requested were used in the State by the Applicant.
75. In order to succeed in its opposition under this Section, the Opponent must establish that the use by the Applicant of the disputed mark in relation to the services covered by the application would, as of the relevant date, have constituted a misrepresentation that those goods were the goods of the Opponent and that such misrepresentation is calculated to damage the business, goodwill or reputation of the Opponent (in the sense that this is a reasonably foreseeable consequence) and that actual damage will be caused or, in a *quia timet* action, will probably be caused.
76. As mentioned above there are three key elements to be considered in passing off - reputation, misrepresentation and damage. Looking firstly at reputation, and I do so in the full knowledge that use does not necessarily equate to reputation, I am satisfied that, at the relevant date, the Opponent had a reputation in its KEEGUARD trade marks for the goods for which they are registered by virtue of the sales and marketing of these goods in the State and across the EU. While no indication of the market share is given, I am satisfied the Opponent is a leading player in the roof protection and safety arena in Ireland and the use of its marks extends to having a reputation for the purposes of considering an action for passing off.

77. Turning now to misrepresentation. No evidence was submitted to show how the respective party's goods are packaged or how their respective trade marks are applied to that packaging or to the goods themselves. Therefore, in these proceedings, get-up and packaging are not important factors regarding misrepresentation. However, the Applicant used its website to advertise the Opponent's KEEGUARD goods and its own AllenkeyGuard goods and how it did so are factors to be considered. Accordingly, I will decide the issue of misrepresentation on the respective trade marks themselves, bearing in mind all the relevant facts of this case, particularly those relating to the parties previous business relationship.
78. Clearly at the relevant date the Applicant knew of the Opponent's marks and the goods and services for which they were registered. The Applicant has shown that, at the relevant date, it had been in business for over thirty years. For the seven years ending in October 2011 the Applicant was the exclusive distributor of the Opponent's goods in Ireland. The Applicant sold goods bearing the Opponent's trade marks, including the KEEGUARD mark upon which this opposition is based. The Opponent had built up goodwill and a reputation in its KEEGUARD branded goods in Ireland on foot of sales through its distributor - the Applicant.
79. It appears that at no time prior to the date of application of the disputed mark – a period of over thirty years - did the Applicant seek to register any trade marks, containing a reference to its company name (Allenkey Fittings Limited) or otherwise. Nor did it use the AllenkeyGuard trade mark prior to the breakdown of its business relationship with the Opponent. It was only after the breakdown of the business relationship that the Applicant sought to register its mark AllenkeyGuard, and it sought registration for the mark in respect of highly similar or identical goods and services to those for which the Opponent's earlier marks stood registered. While there is no requirement that traders create, use or register marks in order to trade, the timing of the Applicant's application is a factor in these proceedings.
80. In her sworn Statutory Declaration Niamh Power states the mark AllenkeyGuard has been used by the Applicant since at least November 2011. This is interesting from two points. Firstly, that date is immediately after the date of cessation (October 2011) of the Distributor Agreement with the Opponent. How the Applicant achieved the almost instant

change from distributing KEEGUARD products to trading in AllenkeyGuard products is not explained. No mention of from whom the new AllenkeyGuard products were sourced or that they were manufactured by the Applicant itself is contained in her evidence. Secondly, there is no evidence to support the claimed use by the Applicant of the mark since “*at least as early as November 2011*”. The earliest dated item of evidence from the Applicant containing a reference to AllenkeyGuard is an e-mail sent a year later on 9 November 2012. However, the contents of the e-mail suggest that AllenkeyGuard products may not even have been available at the date the e-mail was sent. The subject line is titled “*Allen Key Guard Range Names*” and within the body of the e-mail the writer says “*I have looked at the 3 different sets of test results and propose that we name them.....ALLEN KEY GUARD STANDARD RANGE... ALLEN KEY GUARD ECONOMY RANGE... ALLEN KEY GUARD RESTRICTED RANGE*”. The writer also asks the addressee to “*let me know what you think or have you got any other names that you want to use*” and says “*I need this info ASAP as I need to start on the Operation and Maintenance Manual*”. The mention, in November 2012, of proposed range names, test results and the need to confirm names so a start could be made on the Operation and Maintenance Manual do not, in my opinion, point to use by the Applicant of the mark AllenkeyGuard since at least as early as November 2011.

81. The Distributor Agreement was terminated in October 2011, presumably resulting in the Applicant no longer selling the Opponent’s products, and the evidence points to first use by the Applicant of its AllenkeyGuard in or around a year later in November 2012. Nothing was submitted by the Applicant from which I could ascertain that it continued to sell roof-protection products in the intervening period. Nothing rests on this. I merely mention it to illustrate that a clear picture of what was going on was not painted for me.
82. What is clear to me is the Applicant did not advertise the fact that, in October 2011, its business relationship with the Opponent was terminated, or that it was no longer the distributor of the Opponent’s goods in Ireland. It is also clear the Applicant was in no hurry to update its website so as to remove all references to the Opponent’s marks, which only happened after a cease and desist letter was issued by the Opponent. Also, the evidence shows images of the Opponent’s goods, including photos of installations of the goods, continued to be displayed on the Applicant’s website until at least February 2013 – long after the relationship ended and even after the relevant date for these proceedings.

83. The Applicant had a successful trade in goods bearing the Opponent's KEEGUARD marks. The Opponent's turnover in Ireland (through its exclusive Distributor Agreement with the Applicant) peaked at £83,958 in 2008. The Applicant's revenue in respect of its distributorship of the Opponent's goods would have been significantly more than this figure when its mark-up and other associated charges, such as for installation and maintenance services, were taken into account. So the Applicant had some stake in the Opponent's products and marks. It would even have generated goodwill and a reputation for itself in KEEGUARD branded products.
84. I find the Applicant was keen to continue to benefit from the goodwill and reputation of the Opponent's marks and this finding is supported by the evidence which points to the Applicant being slow to distance itself from the Opponent, in that it continued to display the Opponent's KEEGUARD mark and images of KEEGUARD products on its website for some time after the ending of the Distributor Agreement.
85. The question must be asked as to why the Applicant chose the particular mark AllenkeyGuard. Ms. Power's explanation is that was arrived at by simply combining a part of her Company's name with an abbreviation of the work guardrail. But, in my opinion, that explanation does not fully stack up. Her Company's name is Allenkey Fittings Limited and only the Allenkey part was chosen and the word "guard" is not an abbreviation for anything – it is an independent word in its own right. There are a multitude of other options that could have been chosen, but what was settled on was the one combination that would create the maximum possible association with the Opponent's KEEGUARD marks, namely using the Allenkey element of the company name and combining it with "guard" in such a way to end up with a 'KEYGUARD' element which would create a definite link to the Opponent's KEEGUARD mark in particular and the goodwill and reputation associated with it.
86. It is important to note that, while I have already found the disputed mark is not similar to the Opponent's marks to the extent that it falls foul of Section 10(2)(b), the establishment of this link or association is based on factors which are different to those under which the opposition grounded on Section 10(2)(b) of the Act was determined. This is because there is no specific similarity test or threshold in respect of misrepresentation when determining oppositions grounded on passing-off.

87. In light of these facts, the evidence, legal arguments and settled case law, it appears to me, the Applicant was seeking to present a business-as-usual image, or to put it another way, to misrepresent the reality that it no longer had a business relationship with the Opponent. The effect of this misrepresentation would have resulted in a link being established between whatever goods the Applicant was actually providing, which did not originate with the Opponent, and the Opponent. In order to find that the ingredients for a passing off action exist, it is not necessary for the Applicant to be advertising, mentioning, hinting or otherwise indicating that the goods are those of the Opponent, it is merely sufficient for the Applicant to have created the circumstances in which a consumer thinks the goods are those of the Opponent. I find the Applicant's use of the mark AllenkeyGuard would create these circumstances. Accordingly, I must refuse the application on the grounds that its use in the State is liable to be prevented by the law of passing off.

**Bad faith – Section 8(4)(b)**

88. Finally, turning to the claim the application was made in bad faith and in contravention of Section 8(4)(b) of the Act, which is written in the following terms:

*“A trade mark shall not be registered if or to the extent that-*

*...*

*(b) The application for registration is made in bad faith by the Applicant.”*

89. Both parties directed me to a number of authorities regarding the principles to be applied in determining the issue of bad faith. These show that while there is no legal definition of “*bad faith*” it is accepted that it constitutes dishonesty, including dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced people in the particular area being examined. In order to determine whether there was bad faith in the making of the application at issue I must make an overall assessment, taking into account all the relevant factors. I need to work out what the Applicant knew at the time and whether the Applicant's conduct was dishonest or somehow fell short of acceptable standards. The standards will be judged according to the ordinary standards of honest people. Also, I must also consider the relationship that existed between the parties, what the Applicant knew at the date of application, the motives of the Applicant in making the application, which can be inferred from the

surrounding circumstances (as an admission that a party's intentions were less than noble is not likely), and all materials relevant to the foregoing. While these are the key factors to be considered, it is settled case law that applicants are presumed to have filed their applications in good faith and should any doubt exist that they should be given the benefit of that doubt.

90. There is ample guidance available from settled case law regarding the question of bad faith. In *Lindt*<sup>13</sup> the CJEU said the following at paragraph 53:

*“Having regard to all the foregoing, the answer to the questions referred is that, in order to determine whether the applicant is acting in bad faith within the meaning of Article 51(1)(b) of Regulation No 40/94, the national court must take into consideration all the relevant factors specific to the particular case which pertained at the time of filing the application for registration of the sign as a Community trade mark, in particular:*

- *the fact that the applicant knows or must know that a third party is using, in at least one Member State, an identical or similar sign for an identical or similar product capable of being confused with the sign for which registration is sought;*
- *the applicant's intention to prevent that third party from continuing to use such a sign; and*
- *the degree of legal protection enjoyed by the third party's sign and by the sign for which registration is sought.”*

91. In Case T456/15<sup>14</sup> the General Court added the following:

*“27. ...it is apparent from the wording used in the judgment of 11 June 2009, Chocoladefabriken Lindt & Sprüngli (C-529/07), that the factors set out in paragraph 26 above are only examples drawn from a number of factors which can be taken into account in order to decide whether the applicant acted in bad faith at the time of filing the application for registration (judgment of 14*

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<sup>13</sup> Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH, Case C-529/07

<sup>14</sup> Foodcare sp. z o.o., (Poland) v European Union Intellectual Property Office

February 2012, *Peeters Landbouwmachines v OHIM — Fors MW (BIGAB)*, T-33/11, EU:T:2012:77, paragraph 20).

28. *It must therefore be considered that, in the context of the overall analysis undertaken pursuant to Article 52(1)(b) of Regulation No 207/2009, account may also be taken of the origin of the sign at issue and of its use since its creation, and of the commercial logic underlying the filing of the application for registration of that sign as an EU trade mark, and the chronology of events leading up to that filing (see, to that effect, judgments of 14 February 2012, BIGAB, T-33/11, EU:T:2012:77, paragraph 21, and 11 July 2013, SA.PAR. v OHIM — Salini Costruttori (GRUPPO SALINI), T-321/10, EU:T:2013:372, paragraph 30)."*

92. At the Hearing Ms. McNamara argued that encompassed within the behaviours that vitiate a trade mark application under the bad faith challenge are the use or leveraging of a commercial relationship with another undertaking in order to appropriate rights that were originally those of the other undertaking. She submitted in this case the Applicant is seeking to take advantage of its prior contract with the Opponent in order to try to appropriate rights in the Opponent's similar mark and that this is the essence of what is aimed at by the bad faith provisions in trade mark law.

93. In support of her position Ms. McNamara directed me to the decision of Arnold J at first instance in the English Court in the *Hotel Cipriani*<sup>15</sup> case wherein the learned judge conveniently summarises some earlier decisions of the Boards of Appeal of the EUIPO. In this regard at paragraph 169 of his decision, Arnold J quoted from the Fourth Board of Appeal of the EUIPO in *Slater v Prime Restaurant Holdings Inc* (Case R0582/ 2003-4, 13 December 2004) as follows:

*"22. Article 51(1)(b) CTMR does not protect owners of (trade mark) rights against trade mark applications which were filed independently of such (earlier) rights and it does not (predominantly) seek protection of owners of (trade mark) rights within the Community who may invoke relative grounds of refusal. Article 51(1)(b) is a trade mark law inbuilt unfair competition rule, according to which*

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<sup>15</sup> *Hotel Cipriani SRL v Cipriani (Grosvenor street) Ltd* [2008] EWHC 3032

*applications merely qualify as having been filed in bad faith, where, inter alia, there is reason to believe that the application is somehow the result of or influenced by earlier trade related contacts of a certain level between the parties, allowing for a conclusion of an unfair trade practice on the part of the CTM applicant.*

94. At paragraph 173 of his decision, Arnold J quoted the following excerpt from the Second Board of Appeal of the EUIPO in *von Rossum v Heinrich Mack Nachf GmbH & Co KG* (case R336 / 207-2f, 13 November 2007):

*“... there is bad faith when the CTM applicant intends through registration to lay its hands on the trade mark of a third party with whom it had contractual or pre-contractual relations, or, the Board adds, any kind of relation where good faith applies and imposes on the applicant the duty of fair play in relation to the legitimate interests and expectations of the other party.”*

95. Drawing from these decisions, Arnold J said (at paragraph 186):

*“It is clear that an application can be made in bad faith vis-à-vis a third party in circumstances where the third party cannot maintain a relative ground of objection to the registration of the Community trade mark under Articles 8 and 52. Generally speaking, bad faith in such a case will involve some breach of a legal or moral obligation on part of the applicant towards the third party.*

...

*Nevertheless, I consider that Article 51(1)(b) has no application to situations involving a bona fide conflict between the trade mark rights, or perceived rights, of different traders.”*

96. In her written submission Ms. Boydell states the Applicant completely rejects any suggestion that their application was motivated by dishonesty or any other purpose which could be characterised as bad faith. She argues the use of the Applicant’s distinctive element of their trade name (Allenkey Fittings Limited) together with an abbreviation of the product in connection with which the mark is used is a plausible and credible explanation for the invention of the mark and why it was adopted.



97. Ms. Boydell argued the Applicant does not consider that their mark is confusingly similar to the Opponent's KEEGUARD or KEEGUARD CONTRACTOR marks. The element "Guard" in all these marks is descriptive. She also argued that the terms Allenkey and KEE are not confusingly similar and neither of the earlier marks relied upon were cited against the application in question during prosecution.
98. Ms. Boydell argued that when all the key factors identified by the authorities [summarised by me at paragraph 89 above] are taken into account it is clear that, at the date of filing, the Applicant had invented a unique trade mark to use in connection with its goods and services. The Applicant's intentions would be deemed honest by honest people and would be considered acceptable commercial behaviour when observed by reasonable and experienced men in the particular area being examined.
99. It is not the case that a charge of bad faith should be dismissed because the element of the mark, which is central to the charge, is descriptive. The Opponent's earlier marks function as trade marks. The marks are well established and possess a degree of inherent distinctiveness which, particularly in the case of the KEEGUARD mark, has increased through the use made of it. Therefore, the Applicant's line of defence based on descriptiveness holds little weight.
100. I have already found that the Applicant was seeking to take unfair advantage of the Opponent's earlier marks and many of the factors that led me to that conclusion are equally pertinent to the question of bad faith. At the relevant date the Applicant was fully aware of the position of the Opponent in the Irish marketplace and the extent to which the KEEGUARD mark has gained custom, goodwill and a reputation. For 7 years the Applicant was the exclusive distributor in Ireland of the Opponent's KEEGUARD branded goods and had a vested interest in the KEEGUARD brand, but was now in competition with the Opponent. The Applicant is in business since 1981, but yet there is no evidence that it ever applied for any trade mark before the ending of its agreement with the Opponent. While there is no obligation on any trader to seek trade mark registration in respect of its brands, it is telling that it was only after the breakdown of the business relationship that the Applicant applied for, what seems to be its first ever trade mark application in its 31-year existence. In such circumstances the creation of the

applied for mark by selecting a specific element of the Applicant company name and combining it with the word “guard”, so that it became AllenkeyGuard (the newly created “keyGuard” element being extremely close to the Opponent’s KEEGUARD) cannot be put down to mere coincidence or ignored. Whilst the defence of using part of the Applicant’s company name and the descriptive word ‘guard’ provides some cover for the adoption of the mark, in the circumstances of this case, it does not justify it.

101. Both parties agree that the test of what constitutes bad faith can be defined as dishonesty, including dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined. In today’s world what constitutes dishonesty for one businessman might be perfectly acceptable business behaviour for another. In my opinion, reasonable men do not attempt to unfairly gain from the endeavours of others.

102. I find the Applicant adopted the mark with the conscious and deliberate purpose of maintaining a link to the Opponent’s earlier mark, use of which had for many years provided the Applicant with income through its exclusive distributorship deal. In my opinion, in the circumstances of this case, creating such a link would be tantamount to committing a deception, which goes to the heart of the question of misconduct and bad faith. I find that the Applicant’s actions do not match up to the standards of acceptable behaviour of reasonable men and I am satisfied that the Applicant acted in bad faith in making the application, contrary to Section 8(4)(b) of the Act. Accordingly, I refuse to allow the application to proceed to registration, because it was made in bad faith.

### **Decision**

103. The application is refused on the basis that it offends against Section 8(4)(b), Section 10(3) and Section 10(4)(a) of the Act.

Dermot Doyle

Acting for the Controller

25 August, 2017