

O-207-09

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO 2448418
IN THE NAME OF JAMES JP MCGRATH JP FAS SCOT
FOR THE MARK:**

**SCOTTISH KNIGHT TEMPLARS SOVEREIGN
MILITARY ORDER TEMPLE JERUSALEM**

IN CLASSES 36 & 41

AND

**AN APPLICATION FOR A DECLARATION OF INVALIDITY
UNDER NO 83030
BY PAUL MCGOWAN**

TRADE MARKS ACT 1994

**In the matter of registration no 2448418
by James JP McGrath JP FAS Scot
for a trade mark in classes 36 & 41**

and

**An application for a declaration of invalidity
Under no 83030
By Paul McGowan**

Background

1. Mr McGrath applied for his trade mark on 18 February 2007. It was published for opposition purposes on 4 May 2007 and it was subsequently registered on 17 August 2007. The mark, together with the services for which it is registered, is set out below:

SCOTTISH KNIGHT TEMPLARS SOVEREIGN MILITARY ORDER TEMPLE JERUSALEM

Class 36: Provision of charitable fundraising services.

Class 41: Charitable services, namely educational, training, counselling and cultural services.

2. On 21 September 2007, Mr McGowan applied for a declaration of invalidity in respect of the above registration. I will return to the application, and Mr McGowan's grounds for making it, shortly. It is sufficient to record that Mr McGrath denies the grounds on which the application is made.

3. Both Mr McGowan and Mr McGrath filed evidence, this is summarised below. Neither party requested a hearing and neither party filed written submissions.

The pleaded case

4. In his statement of case, Mr McGowan refers to a number of sections of the Trade Marks Act 1994 ("The Act") which, he says, were breached by the registration of the mark. He refers to sections 3(6), 3(1)(d), 5(1) and/or 5(2)(a) and/or 5(2)(b) and/or 5(3) and/or 5(4)(a). The claims are made on the basis that:

Section 3(6)

- Mr McGrath's intention was to register marks that are in use legally by other organisations in an attempt to block their freedom of action.
- Mr McGrath is trying to intimidate others by breaking down his registered mark into phrases that have been in common use for some time.

- Mr McGrath is trying to confuse and/or intimidate others with his list of so-called registered marks when his own full registered mark is hardly ever mentioned in the correct format.

Section 3(1)(d)

- It can be proved that the phrase “Scottish Knight(s) Templar” registered and in use by Mr McGrath is in fact a common phrase and should not have been registered in this fashion.
- Reference is made to six different Scottish Knights Templar organisations that have used the term “Scottish Knight(s) Templar”, four of which use the term SMOTJ to represent either “The Sovereign Military Order of the Temple of Jerusalem” or “The Supreme Military Order of the Temple of Jerusalem”

The section 5 grounds

- Reliance is placed on Community Trade Mark (“CTM”) 2758308 for the section 5 grounds. Against this earlier mark it is claimed Mr McGrath’s mark would, a) cause confusion, b) would harm the reputation of CTM 2758308 (and any other Scottish Knight Templar organisation) and, c) that Mr McGrath is passing-off as CTM 2758308.

Mr McGowan’s evidence

5. Mr McGowan states that he is a “properly inducted modern Chivalric Knight Templar” and has been for 13 years. He states that the term SCOTTISH KNIGHT(S) TEMPLAR(S) has been known to him since 1995 representing a number of Chivalric Groups within Scotland.

6. He refers to what he describes as the International Order of Knights Templar, namely, Ordo Supremus Militaris Templi Hierosolymitani (I will refer to these words as “OSMTH”). He states that this international Order is also commonly known as “Sovereign Military Order of the Temple of Jerusalem”. He adds that the international Order have applied for and gained approval for a collective mark, namely CTM 2758303. He states that OSMTH is an NGO (a non-governmental organisation) registered in Switzerland and evidence is provided (exhibit SKT004) to show that it is recognised by the United Nations as an “NGO in Special Consultative Status with the Economic and Social Council of the United Nations”. In the letter from the United Nations shown in SKT004, the organisation is referred to as “Sovereign Military Order of the Temple of Jerusalem (OSMTH)”.

7. Reference is made to exhibit SKT001. Mr McGowan describes this as a membership form signed by Mr McGrath (in 2004 not 2005 as Mr McGowan states) and he believes that this demonstrates that Mr McGrath has passed his organisation off as OSMTH. The document in question uses the words ORDO SUPREMUS MILITARIS TEMPLI HIEROSOLYMITANI at the top of the document. The text of the document is in Latin. It is signed by somebody called James.

8. Mr McGowan provides in evidence (SKT002) three exchanges of email between people associated with Mr McGrath's Order. The exchanges state:

"Dear Troops, Something comes to mind in OSMTH history claims by Dr. Kovarik and Carey's potted version, it states clearly that the Order Anton joined under Vandenberg was in Belgium and they actually recorded the name of SMOTJ as theirs under Belgium Law? So, as we are Anton's continuing Order so does it now belong to us due to creation of EEC etc what is legal position?? James"

"James,

Ok, let me explain that one. If Vandenburg did register it in Belgium, that would specifically be in Belgium. For the record, so we all understand the same sheet of music, I checked the UK patent/trademark for SMOTH?OSMTH, and as of last year it was still open, although we would need to get an in depth research to make sure. That is what cost is for with an attorney to file it.

And James, unfortunately nothing on the rights of the name legally belong to anyone unless it is filed. See, although we are the legitimate Order, if we can do things like this, we could have already sent a letter to cease and desist using our name to MTS and other frauds, and they could not even wear our crosses. Look at it the same way that we cannot wear an SMOM outfit and call ourselves SKT, it would still be SMOM, and they HAVE filed this with patent/trademark laws. I know, I checked.

William"

"Dear Will, Gordon, Got it but what do we do to register our own name/s of SKT-SMOTJ. And IFA-OCMTH How much and do we need a Lawyer in UK for it to be done?"

By the way the stuff I have sent today has lots on this McGowan person always threatening everyone with the Law and thinks if he uses Copyright on a website item or Regalia it is his? He tried to do this to the Copy Bureau who did my site they used a shaded Cross in Green, he claimed he had copyright? They are all noted Liars and he also used name of Tom Scotland read it and its rantings, as you will both agree he is best shunned James."

9. Mr McGowan considers that the above emails discuss methods of removing access to marks from other established bodies and that it shows very clearly, *res ipsa loquitur*, that Mr McGrath's reason for registering his mark was in breach of section 3(6) of the Act. Mr McGowan notes in SKT002 the comment that he (Mr McGrath) was part of an original Order but notes that Mr McGrath does not know where or how it was registered.

10. Reference is made to exhibit SKT003 which consists of an extract from what appears to be Mr McGrath's website. Mr McGowan states that although Mr McGrath

has implemented corrections to his website¹ he remains adamant that certain trade marks remain and in doing so are in breach of section 5(2)(b) as there would be confusion on the part of the public. For the record, the following text appears as part of this website:

“SKT- SMOTJ. IFA-OCMTH(R)TM”

“Our Registered Scottish Charity Number SCO037940 Military Order Knights of Christ OCMTH (RTM).”

“Scottish Knight Templars Sovereign Military Order Temple Jerusalem (R)TM The SKT-SMOTJ”

“SKT-SMOTJ. IFA-OCMTH(R)TM”

“They are not recognised by us the; SCOTTISH KNIGHT TEMPLARS SOVEREIGN MILITRAY ORDER TEMPLE JERUSALEM(R)TM THE SOVEREIGN MILITRAY ORDER KNIGHTS OF CHRIST TEMPLE OF JERUSALEM, IFA-OCMTH(R)TM. NOR THE SKT-SMOTJ”

“Or any others referring to the Order of the Temple, nor under the Magisterial Grand Prior of the continuing SKT-SMOTH,OR THE IFA-OCMTH(R)TM.”

Mr McGrath’s evidence

11. Mr McGrath states that he has been a member of “this” Order (presumably the Scottish Knight Templars Sovereign Military Order Temple Jerusalem) since the early 1960s and also a senior member of OSMTH based in Portugal from 1982 onwards. He states that usages of the names Scottish Knight Templar, and Sovereign Military Order Temple Jerusalem, have been in use by them (presumably, the Order) since he became a member.

12. Mr McGrath provides emails between himself and other member of his Order. The sense of these emails is of members discussing (similar to those in SK002 of Mr McGowan’s evidence) how to legally register “our name”. Mr McGrath states that there is nothing in these emails that show any attempt to block the use of marks by others.

13. Reference is made to exhibit A002 which is an extract from Mr McGowan’s website of “The Grand Priory of the Knights Templar in Scotland” which describes itself as being affiliated to the Grand Priory of France (GPFT), OSMTH International. The website states:

“The name of the International Order is known as “The Supreme Military Order of the Temple of Jerusalem” (SMOTJ) or in Latin as “Ordo Supremus Militaris Templi Hiersolymitani” (OSMTH). It is more commonly referred to as the “Knights of the Temple” or “The Knights Templar”.”

¹ Since the filing of the application of invalidation.

14. Mr McGrath states that the above confirms Mr McGowan's non-usage of the sovereign name given the reference to the Supreme rather than the Sovereign Military Order of the Temple of Jerusalem.

15. Mr McGrath highlights that he does not use SKT-SMOTH with an indication that it is registered (although they have used this designation since the 1960s) as it is separated by full stops from other designations (see the first example in paragraph 10 above). He also notes that these proceedings relate to the trade mark at issue here and not about any other designations. He observes that the registered name is clearly shown on his website in no other format.

16. Mr McGrath states that there are only two Orders in Scotland known to him who are using either Scottish Knight Templars or Scottish Knights Templar and both are separate organisations in their own right. He makes reference to his own use and that of Mr McGowan and his "OSMTH, USA 1995 self created Order". He states that Mr McGowan's Order is a Commandery under the Grand Priory of France.

17. Reference is then made to Mr McGowan's SKT001. He states that this is not a membership form (as claimed by Mr McGowan) but is a "Brevet of a Knight Commander". He notes that this has been altered from its original form by deletion of names etc. He states that the seals shown on this document are his own Order's seal and, also, in relation to the seal at the top of the page, is the coat of arms of Prince Regent Grand Master Fontes who was elected Grand Master of OSMTH in 1946 and, he states, has nothing to do with the 1995 self created USA OSMTH Order. It becomes apparent from this part of Mr McGrath's evidence (and later evidence) that in 1995 some form of split of OSMTH took place whereby Grand Master Fontes was removed from power, leaving, on the one hand, a faction of OSMTH still loyal to Fontes (this is what Mr McGrath refers to as OSMTH Portugal which is also sometimes referred to as OSMTH Regency) and, on the other hand, an organisation representing the post Fontes Order which appears to be the OSMTH International Order referred to by Mr McGowan.

18. Mr McGrath also states that members of his Order held/hold dual membership with OSMTH Portugal. He refers to an email exchange (from 2008) with a Mr Colin Campbell where they discuss this dual membership with Grand Master Fontes' OSMTH following an agreement in 1982. Also provided are two Brevets one, Mr McGrath states, relates to being a member of his own sovereign Order (the Brevet is headed "Ordre Souverain et Militaire du Temple de Jerusalem") and the other is a Brevet as an OSMTH (Portugal) member (it uses OSMTH in a similar way to the document shown in Mr McGowan's SKT001). Mr McGrath also states that he holds the position of Guardian and Protector of the OSMTH Magisterial Grand Priory under Grand Master Fontes (certificate shown in A004). He is also a holder of the OSMTH Silver Medal of Merit and he was appointed in June 2008 as the head, in the UK, of OSMTH Portugal (email from Mr Rosseira also shown in A004).

19. Referring to the difference between the Sovereign Order names and the Supreme Order name, he states that Fontes' OSMTH have Supreme Order members and that any Sovereign status was lost in 1970 when their use of the royal authority died with the death of King Peter II. He refers to a Sovereign Order name

registered as a corporate name in the US but that this does not give any sovereign status.

20. He refers to exhibit A004A which are further email exchanges including one between Mr McGowan and Mr McGrath in 2002. In this email Mr McGrath makes Mr McGowan aware of his loyalty to Grand Master Fontes. At this point in time, Mr McGowan's Order is called Militi Templi Scotia (MTS) which is linked to OSMTH (International). References are also made to the Grand Priory of the USA SMOTJ which, from other evidence, is a Grand Priory of OSMTH (International) which calls itself the Sovereign Military Order of the Temple of Jerusalem (this is the US corporate name referred to by Mr McGrath in the previous paragraph).

21. Exhibit A005 consists of various documents from the OSMTH website (Mr McGrath calls this OSMTH USA, it is the organisation I have referred to as OSMTH International). It shows that OSMTH members failed to attend a UN meeting (the invitation stemming from its recognition as an NGO), it shows that Mr McGowan is its webmaster, and that Mr McGowan's Oder in Scotland is not a Grand Priory but is, instead, an associate member via OSMTH (France Grand Priory).

22. Exhibit A006 contains further information from the OSMTH website (international) one lists other templar organisations including a reference to those loyal to Grand Master Fontes, who consider themselves the only legitimate OSMTH. Other documents (from 2001, 2005 & 2007) state:

“4. OSMTH: Supremus, in Latin, means highest, or sublime. The translation “sovereign” although very common, is incorrect. Even more so is any claim to be a “Sovereign Chivalric Order” under international law, which is tantamount to pure fantasy.”

23. The exhibit also provides a list of web-links from another Order's website (Priory of St King Charles The Martyr, Washington DC). This shows a list of OSMTH country organisations which fall under OSMTH (International) and a separate list for Sovereign Military Oder of the Temple of Jerusalem, whose main body is the US organisation referred to in paragraph 20 and who have a number of sub-priories in the US.

24. Exhibit A006 is the homepage of OSMTH (International) which states that OSMTH is translated as “Sovereign Military Order....”. This, Mr McGrath states, is a false statement, as the translation should be “Supreme Military Order.....” which he believes to be proven by his earlier evidence.

25. Exhibit A007 is a copy of a “Knights Manual” for members of the US Sovereign Military Order of the Temple of Jerusalem Inc that was published briefly in 1996 on various websites but was withdrawn very quickly because, Mr McGowan explains, it was realised that their claims of being recognised as a real and true sovereign military order would become a problem with the US Attorney General (as illegally operating for a foreign government). Mr McGrath makes reference to the history of the US Sovereign Military Order of the Temple of Jerusalem. He states, and provides documents to support, that the order was created in 1962 founded under his (Mr McGrath's) Order.

The section 3(1)(d) ground of invalidation

26. Section 3(1)(d) states that the following shall not be registered:

“trade marks which consist exclusively of signs or indications which have become customary in the current language or in the *bona fide* and established practices of the trade”.

27. Case-law exists to guide the tribunal on the application of the law. For example, in *Merz & Krell GmbH & Co.* (Case C-517/99) the European Court of Justice (“ECJ”) stated:

31. It follows that Article 3(1)(d) of the Directive must be interpreted as only precluding registration of a trade mark where the signs or indications of which the mark is exclusively composed have become customary in the current language or in the *bona fide* and established practices of the trade to designate the goods or services in respect of which registration of that mark is sought.”

28. Also, in the decision of Professor Annand (sitting as the Appointed Person) in *Stash* (BL O–281-04) it was stated:

“In the event, I do not believe this issue of the interpretation of section 3(1)(d) is central to the outcome of the appeal. “Customary” is defined in the Oxford English Reference Dictionary, 1995 as: “usual; in accordance with custom”. In my judgment, the Opponent has failed on the evidence to prove that at the relevant date STASH contravened section 3(1)(d) as consisting exclusively of signs or indications which have become customary either in the current language or in trade practices for the goods concerned.”

29. Taking the above case-law into account, I must be satisfied that the mark “SCOTTISH KNIGHT TEMPLARS SOVEREIGN MILITARY ORDER TEMPLE JERUSALEM” is composed of indications that are used, customarily, to designate the relevant services, be it in current language or in the *bona fide* and established practices of the trade.

30. I repeat my summary of Mr McGowan’s claim, namely:

Section 3(1)(d)

- It can be proved that the phrase “Scottish Knight(s) Templar” registered and in use by Mr McGrath is in fact a common phrase and should not have been registered in this fashion.
- Reference is made to six different Scottish Knights Templar organisations that have use the term “Scottish Knight(s) Templar”, four of which use the term SMOTJ to represent either “The Sovereign Military Order of the Temple of Jerusalem” or “The Supreme Military Order of the Temple of Jerusalem”

31. Taking all of the above into account, the fact that there may be other organisations using “Scottish Knight(s) Templar” does not assist Mr McGowan’s case unless SOVEREIGN MILITARY ORDER TEMPLE JERUSALEM is also used (be it together with Scottish Knight Templar or independently) . As stated in *Merz & Krell*, it is “signs or indications of which the mark is exclusively composed” with which I must be concerned. It is, however, worth detailing the six organisations to which Mr McGowan refers. These are listed in Appendices A-F of his statement of case (although, not filed in evidence):

Appendix A – This is the website for Mr McGrath’s Order – it clearly uses the designation SCOTTISH KNIGHT TEMPLARS SOVEREIGN MILITARY ORDER TEMPLE JERUSALEM.

Appendix B – This is the website of Mr McGowan’s Grand Priory of the Knights Templar in Scotland, Scottish Knights Templars. It makes reference to the International Order OSMTH which is known as The Supreme Military Order of the Temple of Jerusalem.

Appendix C – This is the website of The Scottish Knights Templar – Commandery of Jacques De Molay. It makes no mention of the Temple of Jerusalem be it Supreme or Sovereign.

Appendix D – This is the website of The Scottish Knight Templars – Gnostic Templars. I can see no reference to the temple of Jerusalem.

Appendix E – This relates to The Poor Knights of Christ and the Temple of Soloman - Scottish Knight Templar. This refers to the fact that they previously comprised the Grand Priory of Scotland of the Sovereign Military Order of the Temple of Jerusalem but are now wholly autonomous.

Appendix F – This is the website of the Militi Templi Scotia – Scottish Knights Templar. The website states that the Order incorporates Militi Templi Scotia; The Sovereign Military Order of the Temple of Jerusalem; Ordo Supremus Militaris Templi Hierosolymitani.

32. In relation to the above, Appendix B, C, D & E refer to SCOTTISH KNIGHTS TEMPLAR but do not refer to SOVEREIGN MILITARY ORDER TEMPLE JERUSALEM (appendix E refers to Sovereign Military Order of the Temple of Jerusalem only as a reference for historical purposes with the organisation identified, The Poor Knights of Christ and the Temple of Soloman - Scottish Knight Templar, now being autonomous). That leaves only A (which relates to McGrath’s Order) and C which, although not using the designation in conjunction, it does at least consider itself to be Scottish Knight Templar and part of its Order is said to include the Sovereign Military Order of the Temple of Jerusalem. However, the fundamental problem is that other than Mr McGrath’s own use, there is only one document which can potentially be seen as relating to the “Sovereign Military Order of the Temple of Jerusalem”. Therefore, notwithstanding some use of “Scottish Knight Templars” the designation as a whole does not consist of indications that are in customary usage. **In view of this, the ground of invalidation under section 3(1)(d) of the Act must fail.**

The section 3(6) ground of invalidation

33. Section 3(6) of the Act reads:

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

34. The standard underpinning bad faith was set out in *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] R.P.C. 367. It includes dishonesty but also includes dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined. However, whether Mr McGrath’s behaviour in making his application fell below this standard can only be assessed on the basis of his state of knowledge at the relevant time. A useful summary of all this was given by Ms. Anna Carboni (sitting as the Appointed Person) in *OTO*, BL O/157/08 when she stated:

“120. To summarise the guidance given by the English courts and United Kingdom Appointed Persons, one must ask what the Applicant knew when it applied to register the Marks (the subjective element) and whether, in the light of that knowledge, its decision to apply for registration would be regarded as in bad faith by persons adopting proper standards (the objective element). The applicable standard for the objective element of the test is acceptable commercial behaviour in the eyes of a reasonable and experienced person standing in the shoes of the Applicant. My job is to try to be that person.”

35. Again, I repeat my summary of the ground relied on:

Section 3(6)

- Mr McGrath’s intention was to register marks that are in use legally by other organisations in an attempt to block their freedom of action.
- Mr McGrath is trying to intimidate others by breaking down his registered mark into phrases that have been in common use for some time.
- Mr McGrath is trying to confuse and/or intimidate others with his list of so-called registered marks when his own full registered mark is hardly ever mentioned in the correct format.

36. In relation to the intent of Mr McGrath, there is evidence in the proceedings relating to the prospective application for registration. The evidence is in the form of emails between Mr McGrath and various members of his Order and has been filed by Mr McGowan (exhibit SKT002). Mr McGrath also filed similar email exchanges in his evidence (exhibit A001). It is clear from these emails that one of the intentions of the application was to enable Mr McGrath’s Order to prevent the use of their name by others (they call them frauds). One of the names referred to in the emails being SKT-SMOTJ (which must mean Scottish Knight Templar Sovereign Military Order Temple of Jerusalem).

37. An intent to prevent others from using a mark is not, in itself, an act of bad faith. This is because one, if not the, primary purposes of applying to register a trade mark

is to avail oneself of the exclusive right to prevent the use of the sign by other parties. However, if the intent is to merely prevent others from using a sign which they are legitimately entitled to use and, therefore, the application is made merely to frustrate or hamper other parties then this is a different matter. In Case C-529/07, *Chocoladefabriken Lindt & Sprüngli AG, v Franz Hauswirth GmbH*, the ECJ dealt with the issue of bad faith and stated:

“41. Consequently, 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 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).

46. Equally, the fact a third party has long used a sign for an identical or similar product capable of being confused with the mark applied for and that that sign enjoys some degree of legal protection is one of the factors relevant to the determination of whether the applicant was acting in bad faith.

47. In such a case, the applicant’s sole aim in taking advantage of the rights conferred by the Community trade mark might be to compete unfairly with a competitor who is using a sign which, because of characteristics of its own, has by that time obtained some degree of legal protection.

48. That said, it cannot however be excluded that even in such circumstances, and in particular when several producers were using, on the market, identical or similar signs for identical or similar products capable of being confused with the sign for which registration is sought, the applicant’s registration of the sign may be in pursuit of a legitimate objective.

49. That may in particular be the case, as stated by the Advocate General in point 67 of her Opinion, where the applicant knows, when filing the application for registration, that a third party, who is a newcomer in the market, is trying to take advantage of that sign by copying its presentation, and the applicant seeks to register the sign with a view to preventing use of that presentation.

50. Moreover, as the Advocate General states in point 66 of her Opinion, the nature of the mark applied for may also be relevant to determining whether the applicant is acting in bad faith. In a case where the sign for which registration is sought consists of the entire shape and presentation of a product, the fact that the applicant is acting in bad faith might more readily be established where the competitors' freedom to choose the shape of a product and its presentation is restricted by technical or commercial factors, so that the trade mark proprietor is able to prevent his competitors not merely from using an identical or similar sign, but also from marketing comparable products."

38. From the emails provided in evidence, reference is made to "our name", reference is made to other parties as being "frauds", reference is made to Mr McGrath's Order being the successors of a previous Order (and thus entitled to carry on that name), reference is made to searches of the Intellectual Property Office's website to check that the name was free. None of this indicates to me that the intent was to frustrate others legitimate use, indeed, it seems to me that Mr McGrath was merely trying to protect the name of his Order by way of trade mark registration. This, on the face of it, would not be regarded as falling below the standard of commercial behaviour, on the contrary, it reflects what I would regard as normal commercial behaviour. I therefore have difficulty in finding that the application was filed with the sole objective of preventing a third party from entering (or indeed, staying) on the market.

39. I must, of course, consider the evidence filed by Mr McGowan attempting to show that Mr McGrath is trying to intimidate/confuse others with his list (on his website) of so called registered marks and by breaking down his registered mark into phrases. The difficulty here, though, is that the evidence shows Mr McGrath's activity post registration whereas the question to be answered relates to bad faith when making the application for registration. However, although the evidences relates to matters that took place after registration, there is a potential for it to inform the tribunal as to intent where reasonable inferences can be drawn. The website in Appendix A of Mr McGowan's statement of case shows Mr McGrath's website before the application for a declaration of invalidity was made. It indicates a registered trade mark status for various designations including:

SOVEREIGN SCOTTISH KNIGHT TEMPLARS
SKT-SMOTJ
SCOTTISH KNIGHT TEMPLARS
SOVEREIGN MILITARY ORDER TEMPLE OF JERUSALEM

40. Reference is also made at this time to:

“All these self created Orders, within the UK must now cease with immediate effect from 11/9/20076. This from illegally using our registered patented names in any format of SKT, SMOTJ, Scottish Knight Templars, Sovereign Military Order Temple Jerusalem, all are (RTM)...”

41. However, in Mr McGowan’s evidence, the website now (or at least when the evidence was compiled) carries the following relevant designations:

SMK- SMOTJ. IFA-OCMTH²(R)TM

Our Registered Scottish Charity Number SCO037940 Military Order Knights of Christ OCMTH (RTM).

Scottish Knight Templars Sovereign Military Order Temple Jerusalem (R)TM
The SNL-SMOTJ

SKT-SMOTJ. IFA-OCMTH(R)TM

They are not recognised by us the; SCOTTISH KNIGHT TEMPLARS SOVEREIGN MILITRAY ORDER TEMPLE JERUSALEM(R)TM THE SOVEREIGN MILITRAY ORDER KNIGHTS OF CHRIST TEMPLE OF JERUSALEM, IFA-OCMTH(R)TM. NOR THE SKT-SMOTJ

Or any others referring to the Order of the Temple, nor under the Magisterial Grand Prior of the continuing SKT-SMOTH,OR THE IFA-OCMTH(R)TM.

42. The second set of website documentation represents a cleaned up version. Mr McGrath’s explanation for this is set out in his counterstatement thus:

“The use of RTM on initials on two pages of my website. I do formally apologise for any offence caused to anyone. It was an error on my part this based on incorrect information on Copyright Law. I had removed them within a day and did apologise on my site to anyone affected as well.....”

43. I agree that the version of the website filed with Mr McGowan’s statement of case is misleading in terms of indicating that certain designations are registered trade marks. This could, arguably, indicate bad faith. However, this must be balanced against the emails mentioned above which do not seem to me to be indicative of the type of activity with which Mr McGowan is concerned. Whilst bad faith in making an application cannot be cured by later corrective activity (such as cleaning up the website) the corrective explanation leads me to conclude, taking all factors into account, that Mr McGrath’s intention was to protect his Order’s name, and that the post registration action of making misleading designations was more a case of an overzealous proprietor utilising a mis-informed appreciation of trade mark law.

44. Giving further consideration to the other factors indicative of bad faith set out by the ECJ in the above case, there is no indication in any of the evidence that the


² I note that IFA-OCMTH is a registered trade mark in its own right (the proprietor being Mr McGrath) under UK registration 2458264

objective of the application was to compete unfairly with a sign that is capable of being confused with the application. Whether confusion with any earlier mark or right actually results will, however, be dealt with later. Furthermore, in contrast to the above ECJ case, this is not a shape mark which could potentially prevent the marketing of comparable goods and services. Taking into account all the relevant circumstances, **I do not consider that Mr McGrath, in making his application, has acted in bad faith. The ground of invalidation under section 3(6) of the Act must fail.**

45. I should add for the benefit of both parties that the role of this tribunal is simply to adjudicate on the disputes that are in issue (the pleaded grounds). Any other issues that have been referred to (such as both parties asking that I instruct the other to cease various courses of action) are not within the remit of the tribunal.

The section 5 grounds of invalidation

46. This ground is based on an earlier collective CTM. The respective trade marks are detailed below:

Mr McGrath's trade mark registration	The earlier mark ³
<p>SCOTTISH KNIGHT TEMPLARS SOVEREIGN MILITARY ORDER TEMPLE JERUSALEM</p> <p><u>Specification</u></p> <p>Class 36: Provision of charitable fundraising services.</p> <p>Class 41: Charitable services, namely educational, training, counselling and cultural services.</p>	 <p><u>Specification</u></p> <p>Class 09: Informational and/or educational electronic publications and data collections, such as electronically, magnetically or optically recorded data, audio and/or video, on topics of tolerance, peace, human rights, religious and political history, and religious and political freedom.</p> <p>Class 16: Informational and/or educational printed matter, such as manuals, brochures, pamphlets, magazines, books, periodicals, leaflets, newspapers, photographs and other publications, including publications distributed by facsimile, on the topics of tolerance, peace, human rights, religious and political history, and religious and political freedom.</p> <p>Class 36: Charitable fund raising for humanitarian</p>

³ The earlier mark stands in the name of ORDO SUPREMUS MILITARIS TEMPLI HIEROSOLYMITANI (OSMTH)

	<p>relief.</p> <p>Class 41:Workshops and lectures and film, audio, video and television production on topics of tolerance, peace, human rights, religious and political history, and religious and political freedom.</p>
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47. Again, I repeat my summary of the ground relied on:

The section 5 grounds

- Reliance is placed on Community Trade Mark (“CTM”) 2758308 for the section 5 grounds. Against his earlier mark it is claimed Mr McGrath’s mark would, a) cause confusion, b) would harm the reputation of CTM 2758308 (and any other Scottish Knight Templar organisation and c) that Mr McGrath is passing-off as CTM 2758308.

48. In relation to the grounds relating to “confusion”, sections 5(1), 5(2)(a) and 5(2)(b) have been mentioned. I do not intend to say a great deal about sections 5(1) & 5(2)(a) of the Act, this is because it is a prerequisite of those sections that the respective trade marks are identical. They are clearly not. In relation to section 5(2)(b) of the Act, this reads:

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

(a)

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

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

49. In relation to case-law, I bear in mind the guidance provided by the ECJ in a number of judgments germane to this issue, notably: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77, *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05). The above judgments set out the primary principles to be applied, but to summarise the question though, it is a matter of determining whether the similarities between the respective marks and the respective goods and services combine to create a likelihood of confusion on the part of the average consumer.

50. I will firstly comment on the similarity between the marks. I must do so with reference to the visual, aural and conceptual similarities between them bearing in mind their distinctive and dominant components (*Sabel BV v. Puma AG*, paragraph 23). Visually, Mr McGrath’s mark is made up of English words whereas the earlier mark is made up of Latin. The earlier mark also has a prominent cross device

although it is not so prominent that the words lose all impact. There is a small degree of similarity between some of the individual words that make up the respective English/Latin phrases (e.g. Ordo/Order, Templi/Temple, Militaris/Military) but other individual words have no similarity (e.g. supremus/sovereign, hiersolymanti/Jerusalem). Mr McGrath's mark also has the additional element SCOTTISH KNIGHT TEMPLARS. These same observations flow through to the aural comparison and how the marks will be pronounced. I am left with the view that the differences between the Latin phrase and the English phrase are so strong that I cannot hold, comparing the marks as presented, that there is visual or aural similarity between them.

51. Different considerations apply to conceptual similarity. This is because Mr McGowan views OSMTH to be commonly known as The Sovereign Military Order of the Temple of Jerusalem. If this is the case then, arguably, there could be a finding of conceptual similarity. However, the first problem with this line of argument is that all these matters must be judged through the eyes of the average consumer (*Sabel BV v. Puma AG*) and I must guard against assuming to readily the degree of knowledge that the average consumer may or may not possess⁴. In this case, whilst the relevant public who could potentially encounter the respective marks in relation to the respective goods and services may include those who have a particular interest in the Knights Templar, this, in my view, would only represent a very small subset of the relevant public. The average or notional consumer cannot, therefore, be regarded as such a person because the services (for example, fundraising and charitable services) are aimed at the public at large. Given this, the average consumer, who is unlikely to have any specific knowledge of templar history and its relevant organisations, would not create any form of conceptual link between the above marks. In view of this, there is no conceptual similarity.

52. A ground under section 5(2)(b) can only succeed if the respective marks are similar. I have found that there is no visual, aural or conceptual similarity. Without similarity the ground of opposition must fail. **The ground of invalidation raised under section 5(2) of the Act must, therefore, be rejected.**

53. Mr McGowan also claims that Mr McGrath is passing himself off (or at least his Order is) as the above CTM. Although not expressly claimed as such, I take this to mean that the use of Mr McGrath's registration would cause the public (or a substantial number of the public⁵) to believe that Mr McGrath's services are actually being offered or provided by the International OSMTH.

⁴ In the *Cherokee* case (BL O-048-08), Ms Carboni (sitting as the Appointed Person) stated:

" The next three criticisms all relate to the Hearing Officer's assessment of conceptual similarity between the mark applied for and the earlier trade marks. While the Applicant contended in its Counterstatement that the earlier marks would be recognised to refer to the Cherokee tribe and that the tribe was well known to the general public, no evidence was submitted to support this. By accepting this as fact, without evidence, the Hearing Officer was effectively taking judicial notice of the position. Judicial notice may be taken of facts that are too notorious to be the subject of serious dispute. But care has to be taken not to assume that one's own personal experience, knowledge and assumptions are more widespread than they are."

⁵ See *Neutrogena Corporation and Ant. v. Golden Limited and Anr.* [1996] R.P.C. 473

54. Section 5(4)(a) (on which a passing-off case is founded) of the Act reads:

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

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

(b)

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

55. The elements of the classic trinity of passing off can be summarised as: 1) goodwill, 2) misrepresentation and 3) damage. In *Reckitt & Colman Products Ltd v Borden Inc* [1990] R.P.C.341, Lord Oliver summarised the position quite succinctly when he stated:

“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.”

56. There are a number of problems with Mr McGowan’s claim. Firstly, in terms of goodwill, I must be satisfied that the International OSMTH has a goodwill in the UK on which it can rely. My concerns on this do not stem from the fact that the organisation is a charitable one with religious historical roots (rather than a traditional trading business) but instead stem from the lack of evidence to support that OSMTH International have a goodwill in the UK. There is no doubt that the organisation exists, but there is no information provided by Mr McGrath regarding its members in the UK, its activities and so on. There is no information about what goods and services it has provided let alone the scale and significance of any provision. Furthermore, I am far from satisfied that the designation OSMTH is distinctive solely of them given that there is clear evidence that there are two OSMTH organisations – the international organisation that owns the CTM and another organisation, referred

to in the evidence as “OSMTH regency” or “OSMTH Portugal” indicating, as I mention in paragraph 17 above, a faction of OSMTH who maintain loyalty to Grand Master Fontes.

57. Even setting aside my concerns surrounding goodwill, there are further concerns in relation to whether there will be a misrepresentation. Firstly, Mr McGrath claims to have been a member of his Order since the early 1960s. The impact of such a claim is important given that if this is the case then the conduct that is complained of (use of the registered trade mark) has, in any event, been going on for some time. The relevance of this is material to misrepresentation given the findings of the courts in a number of cases⁶.

58. Furthermore, whilst I am not limited (in contrast to the section 5(2) ground) to considering the position from the perspective of the average consumer and can, instead, consider the position from the perspective of those who know of the OSMTH (International) and the goods and services it provides (although this is not clear), and, that this type of person may know of the translation (or alternate name) of OSMTH, there are two further problems. Firstly, it is not clear whether OSMTH is a direct translation of Sovereign Military Order of the Temple of Jerusalem. There is contrasting evidence not just from the respective parties, but contrasting evidence from sources that can be attributed to OSMTH International; one claims that the direct translation of OSMTH is The Sovereign Military Order of the Temple of Jerusalem (see the homepage of OSMTH) but another claims that the translation is Supreme Military Order of the Temple of Jerusalem (see Mr McGrath’s A006). The second problem relates to the existence of the other OSMTH and, therefore, even if a relevant member of the public believed that the Latin and the English phrases in question (OSMTH/The Sovereign Military Order of the Temple of Jerusalem) meant the same thing, a person with this degree of knowledge would also know of the existence of the OSMTH Regency and this would prevent that person from making an assumption and positively believing that Mr McGrath’s Order was, or is connected to, OSMTH International. A relevant person may wonder about a connection, but this is not enough for me to find that a misrepresentation has occurred. All of this is compounded by the fact that there appear to be a number of different organisations both nationally and internationally that make use of similar sounding designations, and, therefore, a finding of misrepresentation becomes even less likely. Furthermore, the fact that Mr McGrath’s full Order name also includes the words SCOTTISH KNIGHT TEMPLARS may also mean that the public may see that Order as an Order with a similar root, but one based in Scotland with an autonomous status.

59. I note that Mr McGowan filed further documentation (but this was not, in the event, filed in evidence) showing that Mr McGrath has now been expelled as a representative of OSMTH Regency. This does not affect the matter because matters must be judged at the time when Mr McGrath filed his application for registration and, furthermore, this does little to affect my analysis of the likelihood of members of the public believing that Mr McGrath’s Order was that of OSMTH International. **The ground of invalidation under section 5(4) also fails.**

⁶ See, for example, *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC 429

60. Again, for information, the parties should note that all I am considering here is the use by Mr McGrath of the designation SCOTTISH KNIGHT TEMPLARS SOVEREIGN MILITARY ORDER TEMPLE JERUSALEM and not the use of any other name (such as OSMTH) or designation.

61. The final claim under section 5 of the Act relates to potential harm to the reputation of the collective CTM. On this, reference is made to section 5(3) of the Act. I will deal with this issue briefly. This is because, firstly, it is a prerequisite under section 5(3) that the marks in question are identical or similar. I have already determined under section 5(2) that they are not. Secondly, to succeed under this ground, evidence of the repute of the earlier mark must be presented to the tribunal. Without a reputation, the ground cannot possibly succeed. A reputation in this context has been defined by the ECJ in *General Motors Corp v Yplon SA* [2000] R.P.C. 572 thus:

“The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.”

62. As stated in relation to some of the other grounds, whilst I do not doubt the existence of the OSMTH International, there is no evidence before the tribunal as to the scale of its use and what goods and services it offers. There is nothing in evidence for me to even assess let alone be able to make a decision that the mark is known to a significant part of the relevant public concerned with the goods and services of the earlier mark. This is particularly so when one considers that the goods and services are ones potentially aimed at the general public. **As I cannot find that the earlier CTM is similar to Mr McGrath’s mark, nor that the CTM has a reputation, the ground under section 5(3) of the Act must fail.**

Conclusion

63. In view of the above findings, all the grounds for invalidation have failed. Mr McGowan’s application for invalidation must, therefore, be rejected.

Costs

64. Mr McGrath has been successful and is entitled to a contribution towards his costs. I hereby order Mr. McGowan to pay Mr McGrath the sum of £900. This sum is calculated as follows:

Considering application for invalidity	£100
Filing counterstatement	£150
Considering Mr McGrath’s evidence	£250
Filing evidence	£400
Total	£900

65. It should be noted that when calculating the above costs, I have taken into account the fact that Mr McGrath has not been legally represented and the guidance given by the Appointed Persons on the relevance of this factor⁷.

66. The above sum should 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 16th day of July 2009

**Oliver Morris
For the Registrar
The Comptroller-General**

⁷ See the decisions of Mr Simon Thorley QC in *Adrenalin* (BL O/040/02) and Mr Richard Arnold QC in *South Beck* (BL O/160/08).