

O/0016/23

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003529031

BY AFRICA TOWN LIMITED

TO REGISTER:

AFRICA TOWN

AS A TRADE MARK IN CLASSES 35, 36, 37, 41 & 43

AND

IN THE MATTER OF THE OPPOSITION THERETO

UNDER NO. 424039 BY

AFRIKA TOWN UK LTD

BACKGROUND AND PLEADINGS

1. On 2 September 2020, Africa Town Limited (“the applicant”) applied to register the trade mark shown on the cover of this decision (“the applicant’s mark”) in the UK for the services listed in the **Annex** to this decision.
2. The applicant’s mark was published for opposition purposes on 11 December 2020 and, on 10 February 2021, it was opposed by Afrika Town UK Ltd (“the opponent”). The opposition is based on sections 5(2)(b), 5(3), 5(4)(a) and 3(6) of the Trade Marks Act 1994 (“the Act”). In respect of the 5(2)(b) and 5(3) grounds, the opponent seeks to rely on the following mark:



AFRIKA TOWN

UK registration no: 3516390

Filing date 27 July 2020

Relying on all services, namely:

Class 35: Advertising services provided for others.

3. I note that at Section A of the opponent’s notice of opposition wherein it elected to rely on the 5(2)(b) ground, it also selected section 5(1) as a ground relied upon. Under section 5(1), there is a requirement that the marks at issue are identical. This is clearly not the case here. Further, I note that in the section of its notice of opposition, the opponent goes on to claim that “the names are almost identical”. I take this as a claim that while the marks are not identical, they are highly similar. Taking this into account, it is my view that the selection of the 5(1) ground was in error and the opponent only seeks to rely on 5(2)(b). I will, therefore, give it no further consideration and deem the claim to be made on the 5(2)(b) ground only.

Under this ground, the opponent claims that due to the near identity of the marks and the identical goods and services, there exists a likelihood of confusion.

4. In respect of the 5(3) ground, the opponent claims to have obtained a reputation in its mark for all of its services and that use of the applicant's mark in respect of all of the services applied for will take unfair advantage and/or be detrimental to the distinctive character and/or reputation of the opponent's mark.
5. Under its 5(4)(a) ground, the opponent relies on the following unregistered sign:



6. The opponent claims that it has been using this sign in London since 5 August 2016 in respect of the following services:

Class 35: The bringing together of a variety of goods, enabling customers to conveniently view and purchase those goods; such services may be provided by retail stores may be provided by retail stores, wholesale outlets; focal point for buying African goods and experience.

Class 36: Real Estate; real estate agency services; real estate management.

Class 37: Construction Services; various restoration services, for example, building restoration.

Class 41: Education; providing of training; entertainment and cultural activities and services consisting of all forms of education or

training, entertainment, amusement or recreation of people, visual art or literature to the public for cultural or educational purposes.

Class 43: Services for providing food and drink; temporary accommodation; temporary accommodation reservations for example hotel reservations.

7. I note that the opponent also claims that it has used its sign worldwide. For the avoidance of doubt, for a claim under section 5(4)(a) to succeed the opponent is required to demonstrate evidence of customers in the UK.¹ I do not intend to get into this issue at present but will, if necessary, explore it further when considering the 5(4)(a) ground.
8. While remaining on the issue of the 5(4)(a) ground, I note that when answering the question as to why it considers there to be passing off, the opponent makes reference to claims that appear to be geared towards allegations of bad faith. During these pleadings, the opponent ultimately concludes that the applicant is holding out as the original owner of Africa Town and, in applying to register its mark, is acting contrary to the law of passing off. The opponent has made no express claim to have obtained goodwill in its business, however, by virtue of claiming passing off, I will take it to read as including a claim that it has a protectable level of goodwill. This is on the basis that, as I will come to discuss in more detail below, passing off requires the satisfaction of three elements, being goodwill, misrepresentation leading to deception or a likelihood of the same and resulting damage.
9. Finally, under the 3(6) ground, the opponent claims that the application was made in bad faith. The opponent claims that the applicant did not originate the concept and knowingly, in bad faith, took the concept from the opponent. The opponent claims that this behaviour and the subsequent application amounts to commercial fraud. I note that under this section of the notice of opposition, the opponent ticked

¹ *Starbucks (HK) Limited and Another v British Sky Broadcasting Group Plc & Others*, [2015] UKSC 31

the box titled 'Other – State any other part of section 3 you rely on and give your grounds' and completed the information box as follows:

“The applicant was submitted after we submitted our application for registration of Trade Mark UK00003516390

It was done with the sole purpose of preventing us from registering our Trade Mark.”

While under the 'Other' section, I consider this an additional reasoning in support of the opponent's 3(6) ground in that the sole purpose of the application was to prevent the opponent from using its mark. I will, therefore, accept it as an additional pleading in support of that ground and not as an additional ground under section 3 to be relied upon.

10. The applicant filed a counterstatement wherein it made some admissions under the 5(2)(b) ground but, for the most part, either expressly denied the claims made or put the opponent to proof of the same.
11. The opponent has been represented in these proceedings by CJNI Law Solicitors since the filing of a TM33 on 17 May 2022. The applicant is represented by Asafo & Co. (London) Ltd. Both parties filed evidence in chief with the opponent also filing a document it referred to as its 'position statement' (more on this below). No hearing was requested and neither party filed written submissions in lieu. This decision is taken following a careful perusal of the papers.
12. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

EVIDENCE

13. As above, both parties filed evidence. The opponent's evidence in chief came in the form of the witness statement of Chijioke Kenneth James dated 7 December 2021. Mr James is a director of the opponent and his statement is accompanied by 11 exhibits, being those labelled Exhibits A1 to A11. Mr James's evidence confirms that he is also a director of the opponent's sister company, being IDG Developments ("IDG") and a company called INGO in Nigeria. The bulk of Mr James's evidence appears to be in direct response to the points raised by the applicant in its counterstatement.

14. The applicant's evidence in chief came in the form of the witness statement of Mark Higham dated 7 February 2022. Mr Higham is a director of the applicant and his statement is accompanied by one exhibit, being that labelled Exhibit B1.

15. I will refer to points from the evidence or submissions where necessary.

PRELIMINARY ISSUES

The position statement of the opponent

16. As I have mentioned above, the opponent filed what it referred to as a 'position statement'. It filed this document on 16 May 2022 and, in response, the Tribunal wrote to the opponent's representative reminding them that evidence in reply was due on or before 3 May 2022. In the same letter, the Tribunal sought clarification as to the purpose of the position statement, namely whether it was to be considered as evidence in reply or whether a further witness statement should have been enclosed. The opponent was provided with a deadline of 27 June 2022 within which to confirm its position. No response was forthcoming and the Tribunal, on 21 July 2022, provided a further deadline of 4 August 2022 by which the opponent could confirm its position. Again, no response was forthcoming and, on 17 September 2022, the Tribunal confirmed that the position statement was not to be considered as evidence.

17. While the 'position statement' is not to be considered evidence, it may be of assistance to the opponent as submissions. The position statement does make reference to bad faith and, therefore, I will give it further consideration when considering the 3(6) ground below.

The opponent's evidence

18. As I have set out above, the opponent's evidence is mainly focused on making direct responses to the applicant's denials of its claims within its counterstatement. For the most part, this is not particularly helpful as there are instances wherein the evidence simply makes a number of broad points in response such as:

"That in response to paragraph 9CQ4 we pleads exhs A1-10 in support of our Witness Statement."

19. There are 16 such examples of similar statements throughout the opponent's evidence. I note that exhibits A1 to A10 make up all but one exhibit of the opponent's evidence and cover a broad range of documents such as individual items of correspondence, board resolutions of IDG, presentation concepts for the African Town London Project, budget plans, a letter from the Central Bank of Nigeria, print-outs from theafricatown.com and articles regarding the acquisition of Indigo Planning Limited by 'WSP'. As a result of these broad statements, I am presented with some difficulty in determining precisely what the opponent's evidence shows. For the avoidance of doubt, it is the burden of the opponent to put forward its case and supporting evidence in a coherent nature that is readily understood. In the present circumstances, it is not appropriate for me (nor fair to the applicant, for that matter) to undertake a detailed exercise in seeking to formulate the entirety of the evidential picture on behalf of the opponent. It is not my role as decision maker to put together the opponent's case. While this may apply to instances where it is unclear what the opponent's evidence shows, there are instances where I am readily able to make sense of the evidence and I will assess it in due course throughout this decision.

The Africa Town project

20. Throughout the documents filed in these proceedings, both parties seek to discuss, in detail, a project that is referred to as the Africa Town or African Town project. As a result, the Africa/African Town project will inevitably be the focus of a number of discussions throughout this decision. Therefore, I consider it necessary to set out here what the evidence appears to suggest that this project is. From the evidence of the opponent, it is claimed that it was a proposal for a mixed-use development project in London that promotes and celebrates the African community in Diaspora and is also an opportunity for investment by African investors.² While the opponent claims that this was its own concept, the applicant makes mention of the existence of the general idea for an Africa Town project for many years, being something akin to China Town in London and other cities.³ For the avoidance of doubt, where I discuss the Africa/African Town project, I am referring to the opponent's proposals for a mixed-use development in London. As for the applicant's position, I will explore this issue further throughout this decision.

The 5(2)(b) and 5(3) grounds

21. As I have set out above, the opponent relies on both 5(2)(b) and 5(3) grounds wherein it relies on the same trade mark, being trade mark registration 3516390. This mark was filed on 27 July 2020 and was opposed on 30 November 2020 resulting in the launch of opposition proceedings. I will discuss the events of those proceedings on the basis that they have a direct effect on the present proceedings. Even though the opponent in the present proceedings was the applicant in those proceedings I will, for ease of reference, still refer to the opponent as such.

22. During the opposition proceedings relating to the opponent's earlier mark, I note that the matter entered into a cooling off period following the filing of a Form TM9C. As a result, the stated deadline for the opponent to file its Form TM8 was given as 5 October 2021. No Form TM8 was filed and in accordance with Rule 18(2) of the

² See page 7 of Exhibit A1

³ See point 4 of the applicant's counterstatement

Trade Mark Rules 2008 (“the Rules”), the failure to do so meant that the application was deemed abandoned. The Tribunal wrote to the opponent on 19 October 2021 to inform it that as a result of its failure to file a Form TM8, the Tribunal was minded to deem the application as abandoned under the aforementioned rule. In doing so, the Tribunal provided the opponent with a deadline of 2 November 2021 within which to request a hearing on the matter. No response was received by that date and, on 15 November 2021, the Tribunal confirmed to the opponent that its application was withdrawn.

23. Following this, I note that there was some correspondence between the opponent and the Tribunal and that, on 19 November 2021, a Form TM8 was eventually filed. However, this was not accompanied by a witness statement and it wasn't until 23 December 2021 that one was received by the Tribunal. The Tribunal considered the reasons given in the witness statement and, on 26 May 2022, refused the admission of the Form TM8. Again, the opponent was provided with an opportunity to oppose this preliminary view by 9 June 2022. An email was received from the opponent's representatives and while no formal request for a hearing was made, additional comments on the issue were given. The Tribunal again wrote to the opponent on 5 July 2022 confirming that the reasons given were carefully considered and that the preliminary view would be upheld. Again, the Tribunal gave a further opportunity to request a hearing by 19 July 2022 to oppose the issue. However, no response was forthcoming.

24. As a result of the above, the opponent's mark was deemed abandoned and, therefore, never registered. For reasons I will explain below, this has ramifications on the opponent's ability to rely on its mark under the 5(2)(b) and 5(3) grounds of the present proceedings.

25. The wording of section 5(2)(b) of the Act is as follows:

“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 or association with the earlier trade mark.”

26. As for section 5(3) of the Act, this is worded as follows:

“5(3) 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 United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark.”

27. To rely on the above grounds, the opponent must be the owner of an earlier trade mark. An earlier trade mark is defined by section 6 of the Act which states that:

“6(1) In this Act an “earlier trade mark” means –

(a) A registered trade mark or international trade mark (UK) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

28. While the above reference to a registered trade mark is noted, the Act does allow for the reliance upon marks that are yet to be registered. This is by virtue of section 6(2) which states that:

“6(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a), subject to its being so registered”

29. In the present case, the opponent's mark has been deemed as abandoned and will, therefore, not be able to proceed to registration meaning that it does not fall within the remit of section 6(2) above. That being said, this does not conclude the issue as, in accordance with Rule 43 of the Rules, the opponent had the option to file a Form TM29 in order to apply to set aside the decision to treat the mark as abandoned. Such an application may have possibly led to the resurrection of the abandoned mark. However, under Rule 43(2), if the opponent was minded to make such an application, it was required to do so within six months of the decision to deem it abandoned. The date on which the opponent's application was formally deemed to have been withdrawn was 15 November 2021, being the date on which the Tribunal confirmed its initial preliminary view. While there was correspondence from the opponent and subsequent preliminary views issued by the Tribunal after this date, there was no overturning of the initial preliminary view to deem it abandoned meaning that it is this date that applies. This means that the opponent had until 15 May 2022 to file its Form TM29. It did not do so and as this deadline has now passed, there is no mechanism that the opponent may use to resurrect its mark so that it has the potential to eventually be registered. The opponent's mark is, therefore, a withdrawn trade mark with no possibility of achieving registration.

30. As a result of the above, the opponent's mark is not an earlier mark as defined by the Act and, therefore, the opponent is unable to rely on it under the 5(2)(b) and 5(3) grounds. Those grounds must therefore fail.

DECISION

Section 5(4)(a)

31. Section 5(4)(a) of the Act reads as follows:

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

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

(aa)

(b)

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

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

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

33. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether "*a substantial number*" of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)."

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

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

- (1) that a name, mark or other distinctive indicium used by the claimant has acquired a reputation¹ among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other indicium which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.

The question whether deception is likely is one for the court, which will have regard to:

- (a) the nature and extent of the reputation relied upon,
- (b) the closeness or otherwise of the respective fields of activity in which the claimant and the defendant carry on business;

- (c) the similarity of the mark, name etc used by the defendant to that of the claimant;
- (d) the manner in which the defendant makes use of the name, mark etc complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

Relevant Date

35. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander Q.C., as the Appointed Person, endorsed the registrar’s assessment of the relevant date for the purposes of section 5(4)(a) of the Act, as follows:

“43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.’ ”

36. The applicant's mark does not have a priority date. Further, there is no evidence to suggest any use of the applicant's mark prior to the application being filed meaning that the relevant date for the 5(4)(a) assessment falls on the filing date of the application at issue, being 2 September 2020.

Goodwill

37. The first hurdle for the opponent under this ground is that it needs to show that, at the relevant date, it had the necessary goodwill in its business and that the below sign was distinctive and/or associated with that goodwill.



38. I remind myself that the opponent claims to have accrued goodwill in the following services:

Class 35: The bringing together of a variety of goods, enabling customers to conveniently view and purchase those goods; such services may be provided by retail stores may be provided by retail stores, wholesale outlets; focal point for buying African goods and experience.

Class 36: Real Estate; real estate agency services; real estate management.

Class 37: Construction Services; various restoration services, for example, building restoration.

Class 41: Education; providing of training; entertainment and cultural activities and services consisting of all forms of education or

training, entertainment, amusement or recreation of people, visual art or literature to the public for cultural or educational purposes.

Class 43: Services for providing food and drink; temporary accommodation; temporary accommodation reservations for example hotel reservations.

39. Goodwill was described in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), in the following terms:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

40. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

“27. There is one major problem in assessing a passing of claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX)* (1946) 63 R.P.C. 97 as qualified by *BALI Trade Mark [1969] R.P.C. 472*). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur.”

41. However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

“[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

42. In *Hart v Relentless Records* [2002] EWHC 1984 (Ch), Jacob J. (as he then was) stated that:

“62. In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred by s.2(2) of the Trade Marks Act 1994. The provision goes back to the very first registration Act of 1875, s.1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see per Upjohn L.J. in BALI Trade Mark [1969] R.P.C. 472. The whole point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is

enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark had been used “but had not acquired any significant reputation” (the trial judge's finding). Again that shows one is looking for more than a minimal reputation.”

43. Having reviewed the opponent's pleaded claim in respect of its 5(4)(a) ground, I am of the view that it has misunderstood the claim it is required to prove in relying on such a ground. The opponent's pleadings make reference to claims that would support a bad faith claim and that the applicant is ‘misrepresenting itself’ as the opponent. While misrepresentation is an issue under 5(4)(a) ground, the opponent needs to first prove that it enjoys a protectable level of goodwill in its business and that the sign relied upon is distinctive of and/or associated with that business. If no goodwill is found then I cannot go on to consider misrepresentation and the claim will fail at that point. As I have also set out above, the opponent's pleadings are not focused on the existence of goodwill and while I have given the opponent the benefit of the doubt in considering the substantive 5(4)(a) ground, there are two major issues with the evidence, namely that there is no evidence of trading activities and neither is there any use of the sign relied upon. These are discussed further below.

i) no evidence of trading activities

44. Goodwill accrues as a result of trading activities. The first and perhaps most crucial issue for the opponent is that it has failed to demonstrate that it has undertaken any trading activities whatsoever. When a party seeks to rely on 5(4)(a) grounds, it would ordinarily be expected to file evidence of turnover, marketing expenditure, press coverage or any other evidence of trading activities that could be considered as pointing to the accrual of goodwill. While the opponent has not filed any such evidence, I appreciate that evidence of this nature is not the absolute requirement for proving goodwill meaning that its absence is not automatically fatal. On this point, I am reminded on the cases of *Allen v Brown Watson* [1965] RPC 191 and *BBC v Talbot* [1981] FSR 228 wherein pre-launch publicity appears to have been

accepted as sufficient to create an actionable goodwill. While I note that there is evidence that points towards proposals for an 'African Town' development in the UK in 2018,⁴ the subsequent steps to find a location for the same in London⁵ and to determine the costs of the development,⁶ I do not consider such evidence is capable of being considered pre-launch publicity. This is on the basis that these documents are not activities that are aimed at gaining publicity but are, instead, intended to obtain backing and/or investors for the project and are not documents that would attract any form of widespread viewership. Even if this evidence was to be considered as pre-launch publicity, it does not particularly help the opponent. This is because there is case law that casts doubt as to whether a business with no sales to UK customers can establish passing off based solely on advertising.⁷ I also note that, as per paragraph 3-156 of *Wadlow on the Law of Passing Off*, 6th Ed., the plaintiffs in the aforementioned cases had long established businesses and goodwills in the UK. This is not the case here and without such, I fail to see why a similar outcome would apply. For the avoidance of doubt, there is nothing further in the evidence filed that could be used to consider the generation of goodwill in favour of the opponent.

ii) failure to show any reliance upon the earlier sign

45. I appreciate that as a result of the issue discussed above, there can be no goodwill in the opponent's business meaning that the opposition reliant upon this ground must fail. However, for the sake of completeness, I note that another issue for the opponent is that the sign relied upon under this ground is not present anywhere in the evidence filed. As I have explained above, the opponent is required to show that it has goodwill in its business and that the sign relied upon is distinctive of and/or associated with that goodwill. Even ignoring the above issue regarding the lack of trading activities, the sign relied upon cannot be said to be distinctive and/or associated with any goodwill (insofar as it exists) as it is not present in the evidence. While I appreciate that the evidence includes the words 'Africa/African

⁴ Exhibit A1

⁵ Exhibit A4

⁶ Exhibit A5

⁷ *Starbucks (HK) Limited and Another v British Sky Broadcasting Group Plc & Others*, [2015] UKSC 31

Town’ and that there are elements of similarity between this and the sign relied upon, I do not consider that the sign relied upon would be distinctive and/or associated with any goodwill that may have accrued in favour of the opponent stemming from any use of ‘Africa/African’ Town only.

46. Taking the evidence as a whole, the opponent has failed to prove the existence of a protectable level of goodwill in its business. I am, therefore, unable to proceed to consider misrepresentation meaning that the opponent’s reliance on this ground must fail. I will now proceed to consider the 3(6) ground.

Section 3(6)

47. Section 3(6) of the Act states:

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

48. In *Sky Limited & Ors v Skykick, UK Ltd & Ors*, [2021] EWCA Civ 1121 the Court of Appeal considered the case law from *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*, Case C-529/07 EU:C:2009:361, *Malaysia Dairy Industries Pte. Ltd v Ankenævnetfor Patenter Varemærker* Case C-320/12, EU:C:2013:435, *Koton Mağazacılık Tekstil Sanayi ve Ticaret AŞ*, Case C-104/18 P, EU:C:2019:724, *Hasbro, Inc. v EUIPO, Kreativni Dogaaji d.o.o. intervening*, Case T-663/19, EU:2021:211, *pelicantravel.com s.r.o. v OHIM, Pelikan Vertriebsgesellschaft mbH & Co KG (intervening)*, Case T-136/11, EU:T:2012:689, and *Psytech International Ltd v OHIM, Institute for Personality & Ability Testing, Inc (intervening)*, Case T-507/08, EU:T:2011:46. It summarised the law as follows:

“68. The following points of relevance to this case can be gleaned from these CJEU authorities:

1. The allegation that a trade mark has been applied for in bad faith is one of the absolute grounds for invalidity of an EU trade mark which can be relied on

before the EUIPO or by means of a counterclaim in infringement proceedings: *Lindt* at [34].

2. Bad faith is an autonomous concept of EU trade mark law which must be given a uniform interpretation in the EU: *Malaysia Dairy Industries* at [29].

3. The concept of bad faith presupposes the existence of a dishonest state of mind or intention, but dishonesty is to be understood in the context of trade mark law, i.e. the course of trade and having regard to the objectives of the law namely the establishment and functioning of the internal market, contributing to the system of undistorted competition in the Union, in which each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trade marks signs which enable the consumer, without any possibility of confusion, to distinguish those goods or services from others which have a different origin: *Lindt* at [45]; *Koton Mağazacılık* at [45].

4. The concept of bad faith, so understood, relates to a subjective motivation on the part of the trade mark applicant, namely a dishonest intention or other sinister motive. It involves conduct which departs from accepted standards of ethical behaviour or honest commercial and business practices: *Hasbro* at [41].

5. The date for assessment of bad faith is the time of filing the application: *Lindt* at [35].

6. It is for the party alleging bad faith to prove it: good faith is presumed until the contrary is proved: *Pelikan* at [21] and [40].

7. Where the court or tribunal finds that the objective circumstances of a particular case raise a rebuttable presumption of lack of good faith, it is for the applicant to provide a plausible explanation of the objectives and commercial logic pursued by the application: *Hasbro* at [42].

8. Whether the applicant was acting in bad faith must be the subject of an overall assessment, taking into account all the factors relevant to the particular case: *Lindt* at [37].

9. For that purpose it is necessary to examine the applicant's intention at the time the mark was filed, which is a subjective factor which must be determined by reference to the objective circumstances of the particular case: *Lindt* at [41] – [42].

10. Even where there exist objective indicia pointing towards bad faith, however, it cannot be excluded that the applicant's objective was in pursuit of a legitimate objective, such as excluding copyists: *Lindt* at [49].

11. Bad faith can be established even in cases where no third party is specifically targeted, if the applicant's intention was to obtain the mark for purposes other than those falling within the functions of a trade mark: *Koton Mağazacılık* at [46].

12. It is relevant to consider the extent of the reputation enjoyed by the sign at the time when the application was filed: the extent of that reputation may justify the applicant's interest in seeking wider legal protection for its sign: *Lindt* at [51] to [52].

13. Bad faith cannot be established solely on the basis of the size of the list of goods and services in the application for registration: *Psytech* at [88], *Pelikan* at [54]".

49. An allegation of bad faith is a serious allegation which must be distinctly proved, but in deciding whether it has been proved, the usual civil evidence standard applies (i.e. balance of probability). This means that it is not enough to establish facts which are as consistent with good faith as bad faith: *Red Bull*.

50. According to *Alexander Trade Mark*, BL O/036/18, the key questions for determination in a claim of bad faith are:

(a) What, in concrete terms, was the objective that the applicant has been accused of pursuing?

(b) Was that an objective for the purposes of which the contested application could not be properly filed? and

(c) Was it established that the contested application was filed in pursuit of that objective?

51. Before moving to consider the evidence in respect of the bad faith claim, I note that the bulk of the arguments from the opponent are made in relation to the conduct of Mr Uzo Owunne. Mr Owunne is not the applicant but the opponent claims that he is its director. The opponent also claims that he is also the chairman of a company called INGO. In its counterstatement, I note that the applicant confirms that he is one of its directors. While the applicant has not sought to avoid the claim of bad faith on the basis that the evidence points to actions of Mr Owunne and not the applicant directly, I refer, for the sake of completeness, to the case of *Joseph Yu v Liaoning Light Industrial Products Import and Export Corporation* (BL O-013-05) wherein Professor Ruth Annand, sitting as the Appointed Person, stated that:

“ 22. [A] claim of bad faith is not avoided by making an application in the name of an entity that is owned or otherwise controlled by the person behind the application.”

52. As a result of the above, I am content to conclude that in the event that Mr Owunne, as director of the applicant, acted in bad faith, those actions can be attributed to the applicant. While on the point of the identity of the parties, I consider it necessary to address the issue of IDG and the opponent. I note that the applicant has sought evidence to confirm the relationship between these entities and that nothing has been filed in direct response to this. However in the opponent's evidence, there is

a board resolution by IDG dated 2 June 2020 that authorises Mr James, as a director of IDG, to take steps to register a UK company and a trademark for the Africa Town London project.⁸ In its notice of opposition, I note that the opponent confirms that because the applicant company was already formed, the formation of the opponent company and application for its (now withdrawn) trade mark were made in the name of 'Afrika Town UK Ltd'. In light of this, I am content to conclude that there is a connection between these companies. For the purposes of this decision, I will proceed to consider the actions against IDG as actions against the opponent.

53. At paragraphs 18 and 19 above, I have discussed the issues with the opponent's evidence. Given that bad faith claims are serious allegations that must be distinctly proven, the imprecise and vague nature of the opponent's evidence is a considerable issue when assessing the present ground. There are a lot of vague references to other companies or legal entities such as INGO, Central Bank of Nigeria, Heritage Bank, HKM and Indigo. I note that there is some reference to how these companies were involved in the initial development of IDG's plans (for example, HKM prepared a cost estimate for the project and Indigo acting in an advisory capacity)⁹. However, aside from a reference to the fact that Mr Owunne is a chairman of INGO, I have nothing to guide me as to how these other entities play into the bad faith claim against the applicant. While the above issues are noted, I will attempt to formulate a reasonable picture as to what it is that the opponent's evidence is aimed at showing. I am conscious that doing so may be considered prejudicial to the applicant and will bear this in mind throughout.

54. In order to prove a claim under 3(6), it is necessary to show that the applicant, as at the date of the application, was acting in bad faith. While there is some dispute as to who was first engaged in developing the concept of the 'Africa Town Project' and its presentation at the 7th African Ambassadors Interactive Forum in 2019¹⁰, it

⁸ Exhibit A3

⁹ See paragraph 3 of the witness statement of Mr Chijioke James

¹⁰ I note that paragraph 3 of the witness statement of Mr James refers to a 'public lunch' (presumably a typographical error that should read 'launch') by Mr James and INGO's management team but also paragraph 7 of Mr Higham's witness statement he claims that it was both himself and Mr Yemisi Mokoulu of the applicant that launched and presented the project at this event and his Exhibit B1 includes the slides presented at that forum.

is the actual conduct of the applicant as at the relevant date that I am required to assess.

55. The opponent's pleaded claim is that Mr Owunne went outside the scope of his mandate with IDG to register a company with Companies House and apply for a trade mark with the name 'Africa Town' with the intention to pass off through a bad commercial behaviour in bad faith and breach of trust. While this is noted, it is something that needs to be supported by evidence. On this point, the only real evidence that points towards Mr Owunne's actual actions is brief. It appears that this claim is founded on the allegation that Mr Owunne was initially brought on board by IDG to seek investment for the Africa Town project in the UK on its behalf. In support of this position, the opponent has filed evidence of what it refers to as a mandate letter from Mr Nigel Neely (identified as a director of IDG) to Mr Owunne dated 14 September 2018.¹¹ The letter attaches a concept presentation for the African Town London project that Mr Owunne is to use to assist him in his discussions with potential investors. The opponent has also provided copies of correspondence between Mr Neely and Mr Owunne.¹² Of this, I note that there is an undated email from Mr Neely to Mr Owunne that appears to have been sent further to a phone call that took place that same day. Some of the content of the email appears to be cut out but the email appears to focus on the progression of the African Town project. Given the fact that some of the email is cut out, I fail to take away any real context as to what is being discussed. Also included is an email from Mr Owunne to Mr Neely dated 5 October 2018 wherein Mr Owunne acknowledges the input made in the document and confirms that he has yet to have a meeting with the investor. It is not clear whether this email was in direct response to the first email referred to.

56. After the emails referred to above, I note that the evidence falls silent regarding any further correspondence between IDG and Mr Owunne until 4 October 2021. On this date, IDG sent a letter to Mr Owunne (seemingly in his capacity as Chairman of INGO) wherein it terminates their mandate dated 14 September 2018

¹¹ Page 1 of Exhibit A1

¹² Exhibit A2

with him claiming misrepresentation and fraud.¹³ While the language used in this letter makes it appear as though there was some form of binding agreement between the parties, I note that it is dated after proceedings in this matter had commenced. It is, in my view, entirely plausible to suggest that the letter was drafted such a way in light of the fact that a bad faith claim had already been initiated. I also note that the 'mandate' referred to in the letter is the date on which IDG initially forwarded the presentation of Africa Town to Mr Owunne, being that discussed at paragraph 55 above.

57. Even if I was able to consider the termination letter as relevant evidence, I have nothing before me to suggest that the letter dated 14 September 2018 formed any binding agreement between IDG and Mr Owunne. Additionally, I note that there is nothing further to demonstrate the existence of any agreement prior to the relevant date. If there was, it is reasonable to expect that it be filed in support of the present ground and include the terms that were agreed upon and therefore indicative of what was binding on the parties. On this point, I note that the opponent's position statement made reference to a 'pre-contractual agreement' and that Mr Owunne was acting as a promotor for IDG. Again, nothing has been filed in evidence pointing towards the existence of such a document or that Mr Owunne was, in fact, hired as a promoter for IDG. There is also mention in the position statement of Mr Owunne being provided with privileged information about the 'Africa Town Project' but nothing is provided to confirm this or demonstrate how it was used in making the application at issue.

58. While I accept that the evidence discussed in the preceding paragraphs points to the existence of some sort of relationship between Mr Owunne and IDG, it is not clear in what formal capacity (if any) Mr Owunne was acting. I do not accept that the nature of the correspondence filed is sufficient to demonstrate as such and neither is it indicative of conduct that leans towards the existence of some form of unwritten agreement between the parties. So while I accept that the applicant was aware of IDG's existence and its plans to develop an 'Africa Town' project, I refer to paragraph 40 of *Lindt* (cited above) which confirms that:

¹³ Exhibit A11

“the fact that an applicant knows or must know that a third party has long been using [...] an identical or similar sign for an identical or similar product capable of being confused with the sign for which registration is sought is not sufficient, in itself, to permit the conclusion that the applicant was acting in bad faith.”

59. I have also considered the applicant’s response to the opponent’s claim in its counterstatement and own evidence. The applicant states that the allegations towards Mr Owunne are unfounded, immaterial and unproven in the evidence. The applicant accepts that it was aware that there had been some speculative work done in 2016 and 2017 which had been received by Mr Owunne and Mr James. However, the applicant stated that it became apparent after Mr Yemisi Mokuolu and Mark Higham (being the other directors of the applicant) reviewed the work that it was out of date and unusable. Further, the applicant accepts that Mr Owunne did meet with the opponent in 2016 and 2017 but any communication thereafter petered out as the opponent lost interest in the Africa Town project. There has been nothing filed to rebut this position and while I am conscious not to assume my own knowledge is more widespread than it is, I do not consider it controversial or a point of serious dispute to suggest that is somewhat ordinary in the course of large development projects involving a number of different entities for different parties to engage in discussions regarding potential business deals that may eventually break down and lead to those parties going their separate ways and exploring their own opportunities.¹⁴ The fact that the applicant discussed matters with IDG in 2016 and 2017 together with the fact that Mr Owunne may have been involved in IDG’s project in 2018 does not, without anything further, automatically mean that the applicant acted in bad faith in applying for the mark at issue.

60. In its evidence, the opponent claims that there was a clear understanding between IDG and Mr Owunne in promoting the Africa Town project in the UK and that this cannot be denied as Mr Owunne, his wife and a few others have been in the management or advisory team of INGO programmes in either Nigeria or the UK. In direct response to this point, the applicant states that the opponent’s evidence does

¹⁴ *Chorkee Ltd v Cherokee Inc.*, Case BL O/048/08

not show a signed agreement, mandate or non-disclosure agreement by one of its directors so the opponent is, therefore, unable to prove this point. This goes towards the point I have made in the preceding paragraphs in that there is nothing to suggest the existence of any formal agreement supporting the opponent's claims. In short, the opponent's evidence in chief in respect of these points was not, by itself, indicative of bad faith, the applicant sought to rebut the claims accordingly by pointing out the flaws in the evidence and even though the opponent had the opportunity to file evidence in reply, it did not do so. On balance, I am not satisfied that the opponent has proven the existence of a 'clear understanding' between the parties.

61. I consider a further point in these proceedings in favour of the applicant is its comments regarding the idea for something like 'Africa Town' as being in discussion in the African diaspora community in London since the 1930s.¹⁵ The applicant states that this has been fuelled by the growth of China Town in London and other cities and the increased in the size of the African diaspora in the UK. It, therefore, argues that the concept of 'Africa Town' is not a new one. In my view, this is a reasonable response to such a claim brought against it and I note that the opponent has not provided anything in response to these points that suggests the concept being exclusive to the opponent to the point that the application at issue was made to prevent the opponent's from registering its trade mark. In furtherance of this point, I note that this specific argument was raised in the notice of opposition in that the application was for the sole purpose of preventing the opponent from registering its 'Trade Mark'. It is unclear whether the reference to 'Trade Mark' was to the opponent's withdrawn earlier mark or the word 'Africa Town', being the same as the mark at issue. In respect of the latter point, there is nothing in the evidence to suggest that the opponent originated the concept of 'Africa Town' which would give rise to the argument that it is the opponent's mark (or earlier unregistered right, for that matter).

¹⁵ This is discussed at point 4 of the counterstatement of the applicant but is also discussed further at paragraph 8 of the witness statement of Mark Higham

62. As I have set out at paragraphs 18 and 19 above, there are a number of issues with the opponent's evidence. These issues have meant that it has not been possible for me to address all points raised by the opponent on the basis that, as set out above, it is not my role to formulate the opponent's case on its behalf. However, I do wish to discuss the following comments of Mr James, taken from paragraph 5 of his witness statement:

“The lame attempt by the applicant to hide under the cloak of technicality to undermine facts to defeat the ends of justice should not be allowed to become a standard of business behaviour by the IPO. That the allegations by Africa Town Ltd are an afterthought engineered in bad faith to commit a commercial fraud against the mandate and understanding with her promoter Uzo Owunne and INGO for which Uzo Owunne and his agents knowingly subverted our mandate and understanding and is seeking endorsement from IPO for such bad business behaviour.”¹⁶

63. The claims that the opponent has levied toward the applicant during these proceedings are noted and, of course, I agree that a party acting in bad faith is not a behaviour that is accepted by this Office. However, for the avoidance of doubt and in response to the above comments, it is for the opponent to prove its case when relying on such claims. As set out above, a claim of bad faith is a serious allegation which must be distinctly proved. On balance of the evidence filed and in light of my comments throughout the above assessment together with the plausible responses from the applicant, I am not convinced that the opponent has given rise to the existence of a *prima facie* case to support its claim on the balance of probabilities. In short, there is nothing that points towards the applicant's intention as at the relevant date and the claims made that Mr Owunne has acted in line with 'bad business behaviour' or breached his duties (insofar as any duty to the opponent existed in the first place – a point that the opponent has failed to prove) are unproven. The opponent's 3(6) claim must, therefore, fail.

¹⁶ Paragraph 5 of the witness statement of Chijioke Kenneth James

CONCLUSION

64. The opposition fails in its entirety and the applicant's mark may, therefore, proceed to registration for all of the services applied for.

COSTS

As the applicant has been successful, it is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the applicant the sum of **£800** as a contribution towards its costs. The sum is calculated as follows:

Considering the notice of opposition and preparing a counterstatement:	£300
Considering the opponents' evidence and preparing its own:	£500
Total	£800

65. I hereby order Afrika Town UK Ltd to pay Africa Town Limited the sum of £800. The above sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 9th day of January 2023

A COOPER
For the Registrar

ANNEX

Class 35

Advertising; business management; business administration; office functions; operation and administration of shopping centres and malls; the bringing together, for the benefit of others, of a variety of goods, retail outlets and service providers outlets enabling customers to conveniently view and purchase a range of goods and make use of such facilities in a shopping centre; the bringing together, for the benefit of others, of a variety of goods, retail outlets and service providers outlets enabling customers to conveniently view and purchase a range of goods and make use of such facilities in a market; administration of consumer loyalty programs; administrative assistance in responding to calls for tenders; administrative assistance in responding to requests for proposals; rental of advertising space; business intermediary services relating to the matching of potential private investors with entrepreneurs needing funding; business project management services for construction projects; providing business information; commercial administration of the licensing of the goods and services of others; commercial lobbying services; providing commercial information and advice for consumers in the choice of products and services; demonstration of goods; organisation of exhibitions and other events for commercial or advertising purposes; import-export agency services; marketing; negotiation and conclusion of commercial transactions for third parties; outdoor advertising; retail services connected with the sale of clothing, food, drink, homeware, books, stationary, toys, games, cosmetics, toiletries, electronics and artwork; wholesale services connected with the sale of clothing, food, drink, homeware, books, stationary, toys, games, cosmetics, toiletries, electronics and artwork sales promotion for others; organising of trade fairs; consultancy services relating to the administration and management of hotels; business management of conference centres; business management of entertainment venues; business management of shopping markets; business management of food markets; administrative hotel management; information, consultancy and advice relating to all of the aforesaid services.

Class 36

Real estate affairs; real estate management; leasing of real estate; rental of real estate; leasing of retail outlet units, manufacturers' outlet units and spaces for the provision of services; arranging finance for construction projects; financial sponsorship; rental of offices; rental of offices for co-working; real estate investment services; leasing of buildings; management of buildings; real estate agency services; leasing of property arranging leases for the rental of property; property management services; leasing of shopping premises; leasing of shopping mall, shopping centre or market spaces; real estate management services relating to shopping centres and malls; real estate management services relating to entertainment venues; rental and leasing of rooms; rental of offices for co-working; provision of managed and serviced accommodation for business purposes; short-term sub-letting of office buildings; property investment services; leasing of property; property portfolio management; administration of property portfolios; financing of property loans; commercial property investment services; financial services relating to property; provision of finance for property development; information, consultancy and advice relating to all of the aforesaid services.

Class 37

Construction services; building construction, repair and installation services; property maintenance; construction of property; renovation of property; property development services [construction, repair and installation]; building construction supervision; building of fair stalls and shops; construction consultancy information, consultancy and advice relation to all of the aforesaid services.

Class 41

Entertainment; cultural activities; arranging and conducting of concerts, conferences, symposiums, congresses and colloquiums; organisation of exhibitions for entertainment, cultural or educational purposes; presentation of live performances; providing recreation facilities; providing leisure facilities; providing facilities for recreational or sports activities; gallery services; art gallery services; information, consultancy and advice relating to all of the aforesaid services.

Class 43

Services for providing food and drink; temporary accommodation; bar services; café services; cafeteria services; canteen services; food and drink catering; rental of meeting rooms; reception services for temporary accommodation; restaurant services; self-service restaurant services; snack-bar services; rental of temporary accommodation; rental of temporary accommodation for students; hotel services; hotel information; hotel restaurant services; providing exhibition facilities in hotels; temporary accommodation reservations; event facilities and temporary office and meeting facilities; provision of co-working spaces; crèche services; crèche services provided in shopping locations; providing conference rooms; provision of conference facilities; catering services for conference centres; travel agency services; information, consultancy and advice relating to all of the aforesaid services.