

O-124-17

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK REGISTRATION NO. 3088233
IN THE NAME OF CHRISTO CAPITAL REAL ESTATE LIMITED
IN RESPECT OF A SERIES OF 2 TRADE MARKS:**

ChristoCRE

&

Christo CRE

AND

**CONSOLIDATED DECLARATIONS OF INVALIDITY THERETO
UNDER NOS. 501002 & 501003 BY CHRISTAKIS CHRISTOFOROU
& C CHRISTO & CO LTD**

Background and pleadings

1. The trade marks **ChristoCRE and Christo CRE** (a series of two) are registered under no. 3088233 in the name of Christo Capital Real Estate Limited (“the proprietor”). They were applied for on 6 January 2015 and entered in the register on 3 April 2015. They are registered for the following services:

Class 35 - Auctioneering services related to real estate; Real estate auctioneering.

Class 36 - Estate trust management; Provision of financial guarantees for bonding real estate; Real estate appraisal services; Real estate escrow services; Real estate syndication; Real estate trustee services; Arranging of loan agreements secured on real estate; Arranging the provision of finance for real estate purchase; Consultation services relating to real estate; Estate duty planning; Estate management services relating to agriculture; Estate management services relating to horticulture; Financing services relating to real estate development; Provision of finance for real estate development; Provision of real estate loans.

2. On 7 October 2015, Mr Christakis Christoforou and C Christo & Co Ltd (who I shall refer to as “applicant 1” and “applicant 2” respectively), filed separate applications to have these trade marks declared invalid. The proceedings were consolidated following the filing of counterstatements. The applications are based upon the provisions of sections 47(1)/47(2)(b) and sections 3(6) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). The relevant provisions read as follows:

“47. - (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive

character in relation to the goods or services for which it is registered.

(2) The registration of a trade mark may be declared invalid on the ground-

(a)...

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

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

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

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

And:

“3. - (1) The following shall not be registered-

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

And:

“5(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-

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

(b)...

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

(5) Nothing in this section prevents the registration of a trade mark where the proprietor of the earlier trade mark or other earlier right consents to the registration. “

3. The applications are directed against all of the services in the registration. In relation to his objection based upon section 5(4)(a) of the Act, applicant 1 indicates that he relies upon the unregistered trade marks “CHRISTO or Christo” which he indicates have been used throughout the United Kingdom since 1 January 1973 in relation to:

“Services related to commercial property; residential property agency; property acquisition; property development and project management services.”

4. Applicant 2 also relies upon the unregistered trade marks shown above and on “CHRISTO & CO, Christo & Co, or christo & co” which it indicates have been used throughout the United Kingdom since 1 January 1985 in relation to:

“Agency and professional services such as commercial property agency services, residential property agency services and property acquisition and retainer services, building surveys, architectural services, lease renewals and rent reviews, project management services, property development, rating services, property management and valuation services.”

And:

“Commercial services such as agent’s fees, asset valuations, assignments, auction, break options, building options, building insurance, building surveys, compulsory purchase, contaminated land, contents insurance, fit out costs, fixtures and fittings, freehold, ground lease, incentives, incentive fee, landlord and tenant act, lease expiry/renewal, leasehold, legal costs, length of lease,

licences, loan valuations, local authority searches, private treaty, purchase costs, qualified surveys, rating liability, references, rent, rent reviews, repair covenants, schedules of dilapidations, service charges, stamp duty, sub-letting, tenants improvements, user clauses, VAT issues.”

5. The applications vary only to the extent necessary to reflect the different applicants, the differing unregistered trade marks upon which the applications are based and the differing dates of first use. What follows (taken from applicant 1’s application), provides useful context to the dispute:

“1...Mr Christakis Christoforou [i.e. applicant 1] is universally known in business in the UK by the anglicised version of his name, Christopher/Christofer (aka Chris) Christo. Mr Christo is founder, sole director and shareholder of a highly successful and longstanding property service business in the United Kingdom trading as “Christo & Co”...

2. Mr Christo first used the name Christo in relation to himself in 1973, and in relation to his business when he set up Christo & Co in 1985. Christo & Co is a north London based multi-strand residential and commercial property business, with more than twelve full-time staff which is involved in (i) sales and lettings (ii) the management of rented property and (iii) property-development.

3. Mr Christo slowly but surely acquired and invested in property which he has owned outright either directly or indirectly through the vehicle of limited companies. For example, a year after the foundation of Christo & Co, in 1986 he formed a company called Docklock Limited, whose purpose was to act as a vehicle for him to acquire and build his own property portfolio. That portfolio has turned into very significant assets (valued at over £60 million) and it was built with the on-going assistance, both financial and professional, of Christo & Co which provides all professional services to Docklock.

4. Mr Christo has continuously used the mark CHRISTO as an unregistered trade mark in relation to the services he himself is known for and has provided for all those 30 years.”

6. In relation to the proprietor, the applicant states:

“5...The director of the [proprietor] is the applicant’s son, Mr Nicholas Christoforou and has at all relevant times had first-hand exposure and knowledge of the applicant’s use of the applicant’s earlier rights...”

In this decision, I shall refer to Mr Nicholas Christoforou as “NC”.

7. In relation to the competing trade marks, the applicant states:

“7. The applicant’s earlier rights and the dominant part of the [proprietor’s] mark are identical. The earlier right and the [proprietor’s] mark viewed in their totality are substantially identical or highly similar, particularly given that CRE is recognised as a descriptive acronym meaning CAPITAL REAL ESTATE and/or COMMERCIAL REAL ESTATE.”

8. In relation to the services at issue, the applicant states:

“...the [proprietor] is in effect in exactly the same business as the applicant and offering the same services.”

9. Based on the above, the applicant further states:

“11. The applicant has built up significant reputation and goodwill in the United Kingdom [in the unregistered trade marks mentioned above]. Use of the mark CHRISTO by the [proprietor] to the [proprietor’s] services will be likely to mislead both the public and business clients in thinking that the services offered by the [proprietor] originate from the applicant, with the applicant’s consent or that the applicant and [proprietor] are economically linked with each other. Such misrepresentation will cause damage to the applicant.

12. The likelihood of confusion is compounded by the fact that the director of the [proprietor] calls and markets himself as Nicholas Christo (although his name is “Christoforou”). The confusion is further compounded by the fact that father and son worked closely together in the same office at Christo & Co for over 6 years (circa 2008-2014), and Mr N Christoforou was trained by his father and other staff at Christo & Co including training him in-house for his APC (Assessment of Professional Competence) exams in order to become chartered with the Royal Institution of Chartered Surveyors.”

10. The circumstances mentioned above are also relevant to the applicants’ claim to bad faith. What follows is a brief synopsis of the applicants’ position:

- the background to the [proprietor’s] actions is the divorce and the division of assets between applicant 1 and his wife [Betty] which is currently being heard in the High Court Family Division. Applicant 1 was served with Family Law Act proceedings in October 2014;
- applicant 1’s two sons “have taken the side of the mother”;
- there are further unrelated but extant proceedings in the High Court Queen’s Bench Division between applicant 1 and his sons, with claims of, inter alia, harassment/breach of privacy brought by applicant 1;
- NC was a director of applicant 2 (and other related companies owned by applicant 1) until he resigned on 19 December 2014. Before he left, NC took various documents and a hard drive from applicant 2 without permission;
- The proprietor was incorporated on 6 January 2015;
- whilst still a director of applicant 2 and in breach of director, fiduciary and implied employee obligations, following the launch of [the proprietor], NC sought to procure the transfer of clients away from applicant 2;

- NC and his mother sought to evict applicant 2 from its office premises and sever substantial property-holding companies (Docklock and Ridlington) from applicant 2, so that applicant 2 could play no role in those companies;
- whilst still a director and employee of applicant 2, NC and his brother planted spyware on various computers and mobile phones, the property of both applicants. This was done for, inter alia, the purpose of finding out private and confidential information about applicant 2 and its clients;
- from as early as 19 December 2014 (the day he resigned from applicant 2), NC's website contained misleading information in relation to a number of properties actually owned by applicant 2; his website was subsequently amended to remove this misleading information;
- NC made misleading approaches to at least one longstanding established client of applicant 2, pretending that he still worked at applicant 2 alongside his new business;
- the proprietor applied for the United Kingdom trade mark CCRE on 18 January 2015. In the applicants' view, this indicates that: "the [proprietor] knew full well that it should not be registering a trade mark with the name CHRISTO for a company offering identical property services under an identical/highly similar name [as the applicants]".

11. The applicants state:

"...Again, the [proprietor] has at all material times been aware of his father's prior and long-standing use of the identical name for identical business activities, particularly given the unique position of Mr N Chrisoforou having been not only a long-time employee and director at [applicant 2], but also as the son to the founder and proprietor [applicant 1].

12. The proprietor filed very similar counterstatements in response in which the basis of the applications were denied and the applicants were put to strict proof of their various claims. The main points emerging from the counterstatements (taken from

the proprietor's response to the application filed by applicant 1) are, in the proprietor's own words, as follows:

"5. The registered proprietor further denies that that there would be any misrepresentation. The registered trade mark is insufficiently similar to the [unregistered trade marks upon which the applicants rely] to lead to deception. Consumers are used to seeing multiple professional practices (e.g. lawyers, accountants, architects, estate agents) with similar names and it is also commonplace for members of such practices, when they depart, to use their own name or the name by which they have become known. The registered trade mark is sufficiently different from the [unregistered trade marks upon which the applicants rely] for consumers to realise that there is no connection. At most consumers might be caused to wonder if there is a connection and such is not sufficient for the purposes of passing off.

7...[NC] has been known as Nicholas Christo by all his friends and work colleagues since 1998.

10...The registered proprietor genuinely believed that it was entitled to apply for the trade mark as the sole shareholder and business trades as CHRISTOCRE and Christo Capital Real Estate. If, as [the applicants] suggest, there was an intention to dishonestly appropriate the [unregistered trade marks upon which the applicants rely], then it is difficult to see why...the registered proprietor did not simply apply for the mark CHRISTO or CHRISTO & Co. The fact that the registered proprietor chose to apply for a mark which reflects its business name and that such a name is different from the [unregistered trade marks upon which the applicants rely], is relied upon for the registered proprietor's good faith."

13. Having stated that the applicants' further claims should be struck out as they do not relate to the question of bad faith but "instead seek to introduce irrelevant and factually contentious issues from unrelated family proceedings", the proprietor indicates that if not amended (presumably by the applicants voluntarily), it reserves the right to apply to have them struck them out. However, as no action has been

taken by either party in this regard, the various claims mentioned earlier remain in these proceedings. That being the case, the proprietor's comments are as follows:

“13...[NC] has not sought to procure the transfer of clients away from the applicants.

14...[NC] is a director of companies called Docklock Limited and Ridlington Limited. These two companies are jointly owned by [applicant 1] and B Christoforou [which I take to be a reference to applicant 1's ex-wife Betty]. Any action taken by these companies to stop [applicant 2] from managing the property held by these companies was to freeze the family assets whilst the divorce proceedings are ongoing and to prevent any dissipation of assets or money.

15...it is denied that any actions were taken by [NC] to find out private and confidential information about [applicant 2] and its clients (past, present and future)...It is difficult to see why [NC], as a director of [applicant 2] until December 2014, would need to carry out any such surveillance or seek confidential information about [applicant 2].

16. The properties referred to were either acquired by Docklock Limited or by a third party client of the proprietor who had provided permission to the proprietor to place such details on its website...[NC] believed that he was entitled to refer to these details as work that he had previously done on his website...The web pages referring to those transactions were only active from around 6 January 2015 to mid January 2015.

17. It is denied that [NC] has made any misleading approaches to at least one longstanding client of [applicant 2] by pretending that he still worked for [applicant 2] alongside his new business...

18. It is irrelevant that the registered proprietor has registered the trade mark CCRE. That does not indicate that the registered proprietor knew full well that it should not be registering a trade mark with the name CHRISTO for a

company offering identical property services under an identical/highly similar name as the applicants. The registered proprietor registered this trade mark to protect the abbreviation of its company name...

19...It is denied that the registered trade mark is an attempt to capitalise on and misappropriate any goodwill belonging to the applicants...the registered proprietor genuinely believed that it was entitled to apply for the mark as the sole shareholder and director of the registered proprietor is known as Nicholas Christo.”

14. In these proceedings, the applicants are represented by Lewis Silkin LLP and the proprietor by Boyes Turner LLP. Although both parties filed evidence and legal submissions, the applicants raised various concerns regarding the contents of the proprietor’s evidence and submissions, following which the evidence and submissions were, at the proprietor’s request, returned to it for amendment. Although the proprietor’s evidence and submissions were never re-filed, nor additional time sought for this purpose, a copy of the original evidence and submissions remain on the official file. For the avoidance of doubt, I should make it clear that I have not read the proprietor’s un-amended evidence or un-amended submissions and they will, as a consequence, play no part in these proceedings. Neither party asked to be heard nor did they file written submissions in lieu of attendance at a hearing.

Evidence

15. This consists of a witness statement from Christakis Christoforou (hereafter “CC”); it is accompanied by 59 exhibits. CC states that he is the director of C Christo & Co Limited i.e. applicant 2 who trade as Christo & Co; he has been the company’s director since its incorporation nearly 26 years ago. CC confirms that where facts and matters in his statement are within his own knowledge, he believes them to be true. He further states that information that has been provided by others is “true to the best of my knowledge and belief.”

16. Very helpfully, his witness statement is split into a number of sub-headings; I shall adopt these headings. Although what follows is only a summary of the evidence filed, I have, of course, read all of the evidence provided.

Before Christo & Co (1974 to 1985)

- CC states that he started his career with Salter Rex, a firm of estate agents, surveyors and valuers. He explains that as he is of Cypriot origin he decided to anglicise his name to make it easier for his English colleagues and clients to pronounce. His first name became “Christofer” or “Chris” and his surname became “Christo”; he has, he states, been known professionally as “Christo” since 1974;
- in 1982, CC entered into a partnership with a surveyor, Victor Vegoda; they began trading as CHRISTO VEGODA as estate agents, surveyors and valuers. The partnership employed 16 people and were involved in services relating to residential and commercial agency services and undertook a range of professional work such as rent reviews, lease renewals, arbitration, structural surveys and schedules of dilapidations. Exhibits 1-6 consist of a number of letters/property details which can be positively dated between December 1982 and October 1983 and which contain references to “CHRISTO VEGODA” and/or “C. CHRISTO”. Exhibit 1 (dated 4 December 1982) consists of a letter which contains the following: “As you are aware I have now commenced trading under the style of Christo Vegoda...”

Christo & Co (1985 to present)

- in November 1985, the partnership was dissolved and Christo & Co was formed. Initially it was not a limited company but consisted of CC trading as Christo & Co. This business provided the same services as Christo Vegoda and in January 1986 it moved to new premises at 148 Kentish Town Road, London, where it remained until September 2013; 14 people including surveyors and valuers were employed. Exhibits 7-11 consist of property details, invoices and correspondence which can be positively dated between

January 1986 and February 1986 but which also contains documents bearing the “01” London telephone dialling code which, CC states, “indicates that the particulars pre-date May 1990”. All of the documents provided contain references to “CHRISTO & Co” or “CHRISTOFER CHRISTO” (or both);

- in 1986, CC formed Docklock Limited, whose purpose was to act as a vehicle for Christo & Co to acquire properties. That portfolio is now worth £60m and was built with the on-going assistance (both financial and professional) of Christo & Co which provides all professional services to Docklock. CC’s ex-wife Betty and NC were appointed as directors, although CC states that he remains the ultimate beneficial owner. Docklock Limited was used to acquire the company’s current business premises at 66-70 Park Way, London. CC bought the building in 2009 and it was occupied in September 2013. Exhibit 12 consists of an undated photograph of the front of the building which bears the name “Christo & Co”;
- CC refers to the attempt by his ex-wife and NC to evict the company from the above premises in January 2015. I have noted this but do not need to record these details here;
- in January 1990, CC was admitted as a Fellow of the National Association of Estate Agents (exhibit 13). He is also a member of other professional organisations i.e. The Institution of Commercial & Business Agents (exhibit 14) and the Association of Residential Letting Agents (exhibit 15). CC notes that all of these certifications refer to him as “CHRISTO”;
- C Christo & Co. Limited (“the company”) was incorporated on 27 April 1993 (exhibit 16);
- exhibits 17 to 22 consist of a range of correspondence dated between April 1986 and February 1993 and show the type of professional services provided. The examples refer to rent reviews and dilapidations. The documents contain references to “Christo & Co” which describes itself as “Estate Agents Surveyors Valuers”;

- CC states that: “the company has become well respected and known throughout the UK. We are now regarded as specialists in the commercial property sector and, over the years, have acted on behalf of governments, local authorities, financial institutions, banks, wealthy individuals and corporate entities both from the UK and abroad”;
- CC states that the company was credited with the re-generation of both Camden Lock (in the early 1980s) and Kings Cross. CC states that exhibit 23 consists of a “selection of cuttings from various publications in the early 1990s about the company and its work...” Insofar as they can be dated, the extracts provided taken from *The Evening Standard*, *Estate Times*, *Ham & High Property Express* and *Drapers Record*, date from October 1989 to June 1996. References to, for example, “Christo & Co” and “Chris/Christopher Cristo” appear in these articles;
- exhibits 24, 25 and 26 consist of extracts from the *Estates Gazette* from April 1997 and November 1999. They indicate that in 1997, of the top 100 surveying firms in the UK, Christo & Co were ranked as equal 72nd (exhibit 24) and that by 1999 its position had improved to 70th (exhibit 25). Also in 1999, Christo was ranked 3rd in relation to staff profitability (exhibit 26);
- exhibit 27 consists of a WHOIS search which indicates that on 23 June 1999 Christo & Co registered the domain name christo.co.uk;
- exhibit 28 consists of screenshots obtained using the Internet archive waybackmachine showing how the website christo.co.uk looked in 2003. The words “Christo & Co” appear on all these pages. CC points to the services being provided stating that “the services provided have been consistent over the many years we have been trading”;
- exhibit 29 consists of website traffic statistics for christo.co.uk for the periods 2006-2012 and 2014-2016. While I do not intend to summarise all these figures here, I note that for the years 2006, 2009 and 2014 the figures were as follows:

Year	Unique visitors	No. of visits	Pages	Hits
2006	21,740	33,343	90,188	1,902,287
2009	25,029	34,757	67,831	1,452,697
2014	31,150	41,646	78,659	2,437,310

Investment in the Christo & Co brand over the last three decades

- CC states that over the last 31 years “we have spent hundreds of thousands of pounds promoting the CHRISTO & CO brand”. He explains that this promotion ranges from advertising in various media such as professional magazines to approximately 200 sale and letting boards erected in any given year. Exhibit 30 consist of extracts from the company accounts which shows that in the years 2012, 2013 and 2014, £26,146, £31,163 and £37,724 respectively was spent on advertising;
- exhibit 31 consists of samples of brochures of properties that the company has marketed, a number of which contain references to the “0171” London dialling code which, CC states, dates them back to the early 1990s. All of these brochures contain references to Christo & Co. CC states that “it costs approximately £2000 to £3000 to produce each 1,000 brochures”;
- exhibit 32 consists of a brochure which CC states the company commissioned in 1990; he explains it cost £26k to produce. In excess of 3000 of these brochures were, he explains, distributed to potential clients. The brochure contains various references to Christo & Co;
- exhibit 33 consists of extracts from Monthly Property Listings dated February 2007. There are lists for offices, restaurants, catering and pubs and retail and shops. CC states that “every month these lists are prepared and they are sent out to applicants who are looking to buy or rent. At any time we probably have approximately 800 to 1,000 applicants”. The name Christo & Co can be seen in this exhibit.

Nicholas Christoforou (“NC”)

- CC explains that NC is his youngest son. He was born in May 1983, the year after CC set up Christo Vegoda;
- CC puts NC to strict proof that he has been known as Nicholas Cristo since 1998;
- NC started working at the company in 2006. He started his professional training under the guidance of CC and Messrs. Cornerford and Forrester. Exhibit 34 consist of a memo from Eamon Cornerford to CC dated 3 March 2016. It is entitled “RE; Nicholas Christoforou – Professional Training”. I have noted but do not need to record here the contents of this memo;
- CC explains that the cost of NC’s education and training was paid for by him i.e. CC and the company. Exhibit 35 consists of a spreadsheet listing the costs incurred between January 2008 and August 2014 and which amount to £3,505.47;
- CC states that in contrast to his “own certifications”, NC’s educational and professional qualifications record his surname as being Christoforou and not Christo. Exhibits 36-41 consist of a range of certificates/documents (including those issued by the Royal Institution of Chartered Surveyors - exhibits 38-40), all of which refer to Nicholas Christoforou;
- CC explains that NC was also a director of a number of related companies i.e. Counterclaim Limited, 44 St Pauls Crescent Limited, Docklock Limited and Ridlington Limited. Exhibits 42 and 43 consist of records obtained from Companies House in which NC is referred to as Nicholas CHRISTOFOROU (which is also the case in relation to the recordal of NC as the director of the proprietor);
- CC recounts the events surrounding his divorce and the various legal proceedings (mentioned above) which flowed from that event;

- on 15 December 2014, NC was formally suspended pending disciplinary investigation. Exhibit 44 consists of a letter from “Christofer Christoforou” to “Nicholas Christoforou” dated 15 December 2014 in this regard;
- on 16 December 2014, NC resigned as a director of the company (exhibit 45 consists of an extract obtained from Companies House confirming this to be the case). On the same day, CC states, NC terminated his employment.

The proprietor (6 January 2015 to present)

- on 6 January 2015, NC incorporated the proprietor (exhibit 46 consists of details obtained from Companies House confirming this to be the case);
- exhibit 47 consists of screenshots of the proprietor’s website (www.christocre.com) taken on 6 January 2015. There are references to both “Christo Capital Real Estate” and “CCRE”. The website refers to the “Acquisition of nhs Portfolio” and a “Portfolio of pubs”. CC states that he “believes that [NC] must have had those deals in mind whilst working at the company”. CC further states: “it is clear that the [proprietor] also took over a number of transactions from [NC] which he had started whilst working at the company”;
- exhibit 48 consists of an e-mail dated 24 October 2014 sent by “Nicholas Christo” to “Christofer Christo” in which he i.e. NC, explains that, inter alia, he “on [his] own has been able to secure the acquisition for a retained client of a property worth £3.9m, as well secure the management of a 17,000 Sq Ft (end value £18 million) house on the Wentworth Golf Estate, with an expected end value of close to £500,000 + vat for Christo & Co...”;
- exhibit 49 consists of a memo dated 10 November 2014 from “C Christo” to “Nicholas” in which CC raises, inter alia, the issue of the property mentioned above. CC states that NC did not provide the details he sought;

- CC states that in September 2014, NC prepared proposals for the redevelopment of a property in Rutland Mews, London. Exhibits 50 and 51 consist of a range of documents in relation to this matter. The first is an e-mail dated 8 September 2014 from “Nicholas Christo” at Christo & Co. There are, inter alia, further e-mails dated 11 November 2014 from “Nicholas Christo” (at Nicholas@Christo.co.uk) and 7 January 2015 from “Nicholas Christo” at Nicholas@ChristoCRE.com). CC states: “The company has not received any commission from these transactions [i.e. those mentioned in exhibits 48, 49, 50 and 51] and has had no further involvement in them...Nicholas has misappropriated these deals/transactions for the benefit of the [proprietor]. Given the timing of these transactions, I believe that these opportunities only came to Nicholas’ attention as a result of his position at the company, and that his exploitation of those opportunities for the benefit of the [proprietor] is a breach of Nicholas’ express contractual duties and fiduciary duties to the company...”;
- exhibit 52 consists of an e-mail dated 5 March 2015 from Saleh Abdulhamid Assubihi of Riding House Estate Ltd.Inc. to “Nicholas Christo”. It reads: “Dear Nicholas, You have told me that you are running new business for yourself beside your job at Christo & Co...” The sender of the e-mail has, states CC, been a client of the company for over 25 years;
- exhibit 53 consists of, inter alia, an e-mail dated 12 June 2015 sent from Property@ChristoCre.com to adam@burlingtonpartners.com headed “London Retail Investment Opportunity For Sale.” This e-mail was, states CC, sent to “a number of company clients.” Also provided and dated 12 June 2015, is an e-mail from the Adam mentioned above sent to NC at his old e-mail address at the company which reads: “Hi Nicholas, is this one of yours? Best, Adam”;
- exhibit 54 consists of a further e-mail dated 12 June 2015 from Andrew Fisch of Rann Investments Limited to an employee of the company (Paul Stone) in relation to the retail investment opportunity mentioned above. It reads: “Paul, How much is this? Is it VAT registered? Ps long life to your wife. Andy”;

- exhibit 55 consists of pages taken from NC's LinkedIn account which were downloaded on 23 March 2016. It refers to "Nicholas Christo Director at Christo Capital Real Estate" and "Previous Christo & Co." CC points to the following wording "Christo Capital Real Estate has a rich heritage" (which, in CC's view, is clearly a reference to the company's reputation) and to the following individuals Paul Stone (of the company), Mert Seyhan of IDIKA and Sean Corrigan of Purple Residential under the "People Also Viewed" section. Exhibits 56 and 57 respectively are LinkedIn profiles (also downloaded on 23 March 2016) for Mr Seyhan (which indicates that he provides "consultancy services to Christo & Co regarding commercial property & investment enquiries") and Mr Corrigan which indicates that he was an employee of the company from December 2013 to September 2014;
- exhibit 58 consists of NC's "Member Profile page" taken from the RICS website which, CC notes, refers to him as "Nicholas Christoforou"; the page appears to be undated.

Having noted the services mentioned on NC's LinkedIn page, exhibit 59 consists of an undated page taken from the "Services" section of the proprietor's website, services which are, in CC's view, identical to those provided by the company.

17. That concludes my summary of the evidence provided, to the extent I consider it necessary.

DECISION

18. I shall deal first with the applications based upon section 5(4)(a) of the Act which relate to the claims of passing off. Halsbury's Laws of England (4th Edition) Vol. 48 (1995 reissue) at paragraph 165 provides the following analysis of the law of passing off. The analysis is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731. It is (with footnotes omitted) as follows:

“The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

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

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

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

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House’s previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of passing off, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.”

Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation 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 feature 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 successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court 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 plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(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 confusion or 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."

19. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC as the Appointed Person considered the relevant date for the purposes of s.5(4)(a) of the Act and concluded as follows:

“39. In *Last Minute*, the General Court....said:

‘50. First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51. However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 11 March 2000.’

40. Paragraph 51 of that judgment and the context in which the decision was made on the facts could therefore be interpreted as saying that events prior to the filing date were irrelevant to whether, at that date, the use of the mark applied for was liable to be prevented for the purpose of Article 8(4) of the CTM Regulation. Indeed, in a recent case before the Registrar, *J Sainsbury plc v. Active: 4Life Ltd* O-393-10 [2011] ETMR 36 it was argued that *Last Minute* had effected a fundamental change in the approach required before the Registrar to the date for assessment in a s.5(4)(a) case. In my view, that would be to read too much into paragraph [51] of *Last Minute* and neither party has advanced that radical argument in this case. If the General Court had meant to say that the relevant authority should take no account of well-established principles of English law in deciding whether use of a mark could be prevented at the application date, it would have said so in clear terms. It is unlikely that this is what the General Court can have meant in the light of its observation a few paragraphs earlier at [49] that account had to be taken of national case law and judicial authorities. In my judgment, the better

interpretation of *Last Minute*, is that the General Court was doing no more than emphasising that, in an Article 8(4) case, the *prima facie* date for determination of the opponent's goodwill was the date of the application. Thus interpreted, the approach of the General Court is no different from that of Floyd J in *Minimax*. However, given the consensus between the parties in this case, which I believe to be correct, that a date prior to the application date is relevant, it is not necessary to express a concluded view on that issue here.

41. There are at least three ways in which such use may have an impact. The underlying principles were summarised by Geoffrey Hobbs QC sitting as the Appointed Person in *Croom's TM* [2005] RPC 2 at [46] (omitting case references):

- (a) The right to protection conferred upon senior users at common law;
- (b) The common law rule that the legitimacy of the junior user's mark in issue must normally be determined as of the date of its inception;
- (c) The potential for co-existence to be permitted in accordance with equitable principles.

42. As to (b), it is well-established in English law in cases going back 30 years that the date for assessing whether a claimant has sufficient goodwill to maintain an action for passing off is the time of the first actual or threatened act of passing off: *J.C. Penney Inc. v. Penneys Ltd.* [1975] FSR 367; *Cadbury-Schweppes Pty Ltd v. The Pub Squash Co. Ltd* [1981] RPC 429 (PC); *Barnsley Brewery Company Ltd. v. RBNB* [1997] FSR 462; *Inter Lotto (UK) Ltd. v. Camelot Group plc* [2003] EWCA Civ 1132 [2004] 1 WLR 955: "date of commencement of the conduct complained of". If there was no right to prevent passing off at that date, ordinarily there will be no right to do so at the later date of application.

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.”

20. For the moment, I shall proceed on the basis that the relevant date is the date of the application for registration i.e. 6 January 2015. A chronology of what appears to me to be the key events in these proceedings will, I hope, prove useful:

- 1974 – CC elects to anglicise, inter alia, his surname to “Christo”;
- 1982 – Christo Vegoda is formed providing estate agency, surveying and valuation services;
- May 1983 – NC is born;
- November 1985 – Christo Vegoda is dissolved and CC begins trading as Christo & Co providing the same services as Christo Vegoda;
- 1986 – Docklock Limited is formed;
- April 1993 – C Christo & Co Limited is formed – it trades as Christo & Co;
- June 1999 – christo.co.uk is registered;
- 2006 – NC starts working at Christo & Co;
- October 2014 – CC’s divorce proceedings begin;
- 15 December 2014 – NC suspended by Christo & Co;

- 16 December 2014 – NC resigns as a director and terminates his employment of Christo & Co;
- 6 January 2015 – the proprietor is formed with NC as its sole director;
- 6 January 2015 – the application for registration the subject of these proceedings is filed.

21. I begin by reminding myself that given the circumstances described in paragraph 14 above, the applicants' evidence stands unchallenged. It demonstrates that from at least as early as 4 December 1982 (exhibit 1) CC has been known professionally as, inter alia, "C.Christo" and that "Christo" was a prominent feature in what I assume was the unregistered trade mark used by the partnership between CC and Victor Vegoda (exhibits 1-6). Exhibit 10 consists of, inter alia, an invoice dated 7 January 1986 which bears the words "CHRISTO & Co" (described as "estate agents, surveyors and valuers") and which also makes reference to "CHRISTOFER CHRISTO". Exhibits 13-15 date from as early as 1990; all refer to CC's surname as "Christo". C. Christo & Co Limited (trading as Christo & Co) was formed in 1993. Exhibits 17-22 (the earliest of which is dated 15 April 1986) all refer to "Christo & Co." In 1992 the business referred to itself as "estate agents, surveyors and valuers"; by early 1993 the words "commercial property", "development consultants" and "property management" had been added to some company literature. By 1999 "Christo & Co" was ranked 70th in the top 100 surveying firms in the UK (exhibit 25) and 3rd in relation to "staff profitability" (exhibit 26). The domain name christo.co.uk was registered in 1999 and exhibit 28 shows how this website looked in 2003. "Christo & Co" appears prominently on the website and, once again, the business describes itself as "estate agents, valuers" and "surveyors". This website received over 1.9m hits in 2006, a little under 1.5m hits in 2009 and over 2.4m hits in 2014 (exhibit 29). Exhibits 30-33 demonstrate that over the years "Christo & Co" has been promoted in a range of ways with some £96k spent on advertising in the period 2012-2014; CC states that "hundreds of thousands of pounds" have been spent in this regard.

Goodwill

22. In relation to applicant 1's application, in its counterstatement, the proprietor stated:

“4...[Applicant 1] does not have the right to bring a claim under section 5(4)(a)...as he personally is not the owner of any goodwill in the CHRISTO name.”

23. There is not only no evidence but nothing to suggest that when CC worked for Salter Rex (which, absent evidence to the contrary, I infer was between 1974 and 1982) he acquired any goodwill of his own in relation to the word “Christo”; rather, it is much more likely, that any goodwill his activities may have generated whilst at Salter Rex would have accrued to the benefit of Salter Rex.

24. As to CC's partnership with Victor Vegoda (between 1982 and 1985) in which the partnership traded as Christo Vegoda, absent evidence to the contrary, I infer this was a partnership at will; in those circumstances, upon dissolution the rights in the name, once again absent evidence to the contrary, would accrue to the partnership and not to CC or Mr Vegoda personally.

25. However, even if I am wrong on that second point, the evidence shows that from 1985 to the creation of C Christo & Co Limited in 1993, CC traded on his own account as Christo & Co. Although CC's original claim was to use in respect of the unregistered trade marks “CHRISTO” or “Christo” (and not “Christo & Co”), it is clear that CC traded as “Christo & Co” and that any goodwill which that trading may have generated is goodwill upon which CC is entitled to rely. However, even if that were not the case, there can be no doubt that applicant 2 has been conducting a trade under the unregistered trade mark identified in its pleadings i.e. “Christo & Co” and that business has been engaged in providing, broadly speaking, services in the field of estate agency, surveying and valuation, primarily, it appears, in the Greater London area and primarily in the commercial property sector. Although there is no evidence to indicate that applicant 2 acquired the goodwill of any business conducted by CC on his own account from 1985 to its formation in 1993, once again,

that does not matter, because there is ample evidence from after 1993 which indicates that applicant 2 traded under the unregistered trade mark “Christo & Co” from its formation in 1993. No turnover figures have been provided. However, when one considers, inter alia, applicant 2’s standing in the top 100 surveying firms in 1999, the range of publications in which the name “Christo & Co” has appeared, the amounts spent on advertising and the number of “hits” its website received, it indicates that by the date the application for registration was filed i.e. 6 January 2015, a significant estate agency, valuation and surveying business focused primarily on commercial property in the Greater London area had been conducted by applicant 2 for over twenty years.

26. Earlier in this decision I mentioned that in relation to the relevant date, in *Sworders*, the Hearing Officer stated:

“...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.”

27. Having reviewed the evidence, there is nothing which indicates that the proprietor used the trade mark the subject of its registration prior to its application. For example, exhibit 47 refers to the proprietor’s website at 6 January 2015 and exhibits 50 and 51 contain an e-mail from NC at Nicholas@ChristoCRE.com dated 7 January 2015. That being the case, the relevant date is, as I suggested earlier, 6 January 2015.

Misrepresentation

28. Having concluded that (at least) applicant 2 has goodwill, I now go on to consider whether there will be misrepresentation. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt L.J. stated that:

“There is no dispute as to what the correct legal principle is. As stated by *Lord Oliver of Aylmerton in Reckitt & Colman Products Ltd. v. Borden Inc. [1990] R.P.C. 341 at page 407* the question on the issue of deception or confusion is:

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents'[product]”

The same proposition is stated in *Halsbury's Laws of England 4th Edition Vol.48 para 148*. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd. (1941) 58 R.P.C. 147 at page 175*; and *Re Smith Hayden's Application (1945) 63 R.P.C. 97 at page 101.*”

And later in the same judgment:

“... for my part, I think that references, in this context, to “more than *de minimis*” and “above a trivial level” are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993) . It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

Morrison L.J. further stated that:

“The role of the court, including this court, was emphasised by *Lord Diplock in GE Trade Mark [1973] R.P.C. 297 at page 321* where he said:

‘where the goods are sold to the general public for consumption or domestic use, the question whether such buyers would be likely to be deceived or confused by the use of the trade mark is a “jury question”. By that I mean: that if the issue had now, as formerly, to be tried by a

jury, who as members of the general public would themselves be potential buyers of the goods, they would be required not only to consider any evidence of other members of the public which had been adduced but also to use their own common sense and to consider whether they would themselves be likely to be deceived or confused.

The question does not cease to be a “jury question” when the issue is tried by a judge alone or on appeal by a plurality of judges. The judge's approach to the question should be the same as that of a jury. He, too, would be a potential buyer of the goods. He should, of course, be alert to the danger of allowing his own idiosyncratic knowledge or temperament to influence his decision, but the whole of his training in the practice of the law should have accustomed him to this, and this should provide the safety which in the case of a jury is provided by their number. That in issues of this kind judges are entitled to give effect to their own opinions as to the likelihood of deception or confusion and, in doing so, are not confined to the evidence of witnesses called at the trial is well established by decisions of this House itself.”

And:

“This is the proposition clearly expressed by the judge in the first passage from his judgment which I quoted earlier. There he explained that the test was whether a substantial number of the plaintiff's customers or potential customers had been deceived for there to be a real effect on the plaintiff's trade or goodwill.”

29. As I mentioned earlier, in its counterstatement, the proprietor stated:

“5. The registered proprietor denies that that there would be any misrepresentation. The registered trade mark is insufficiently similar to the [unregistered trade marks upon which the applicants rely] to lead to deception. Consumers are used to seeing multiple professional practices (e.g. lawyers, accountants, architects, estate agents) with similar names and it is also commonplace for members of such practices, when they depart, to use

their own name or the name by which they have become known. The registered trade mark is sufficiently different from the [unregistered trade marks upon which the applicants rely] for consumers to realise that there is no connection. At most consumers might be caused to wonder if there is a connection and such is not sufficient for the purposes of passing off.”

30. The proprietor’s point regarding “wonderers” is, of course, correct and was commented on by Mr Iain Purvis QC, as a Recorder of the Court in *W.S. Foster & Son Limited v Brooks Brothers UK Limited*, [2013] EWPC 18 (PCC), where he stated:

“54. Mr Aikens stressed in his argument the difference between ‘mere wondering’ on the part of a consumer as to a trade connection and an actual assumption of such a connection. In *Phones 4U Ltd v Phone 4U.co.uk Internet Ltd* [2007] RPC 5 at 16–17 Jacob LJ stressed that the former was not sufficient for passing off. He concluded at 17:

‘This of course is a question of degree – there will be some mere wonderers and some assumers – there will normally (see below) be passing off if there is a substantial number of the latter even if there is also a substantial number of the former’.”

31. I have already concluded that (at least) applicant 2 has goodwill in a business providing estate agency, surveying and valuation services primarily in relation to the commercial property sector in Greater London. As (i) all of the services for which the proprietor’s trade marks are registered are described as relating to either “real estate” or “estate management”, (ii) the proprietor’s website specifically refers to them as being, inter alia, “Agents in Commercial Property” and (iii) NC’s LinkedIn profile refers to the proprietor as being “a leading real estate firm, focusing on Greater London and Central London”, the fields of activity in which the parties trade are identical, or if not identical, are similar to the highest degree.

32. The applicant has provided written submissions on the degree of similarity in the competing marks; I have read but do not need to repeat those submissions here.

The registration consists of a series of two trade marks i.e. “ChristoCRE” and “Christo CRE”. Applicant 2’s unregistered trade mark is Christo & Co. The presentation of the proprietor’s trade marks in which the letters CRE are either capitalised or capitalised and presented as a separate element serve to highlight the word “Christo” which appears as the first element in both trade marks. It is also the first word in applicant 2’s unregistered trade mark “Christo & Co”, in which the letters “Co” would be understood as a reference to the word “company”. As to the letters “CRE” which appear in the registered trade marks, the applicant suggests they will be understood as an acronym meaning, inter alia, “CAPITAL REAL ESTATE”; various documents in the evidence, for example exhibit 47, confirm this to be the case. The origin of the word “Christo” is described above; it is, as the applicant suggests, inherently distinctive. Considered overall, I consider the registered trade marks and applicant 2’s unregistered trade mark to be visually and aurally highly similar.

33. As to the manner in which the proprietor uses its trade mark, there is very little evidence upon which to draw. That said, the proprietor’s website at exhibit 47 shows its domain name to be “christocre.com” (whereas applicant 2’s domain name is christo.co.uk) and the top of the webpages provided contain a reference to “ChristoCRE” – Real Estate, Surveyors, Managers and Investment Agents in Commercial Property”, whereas the applicants’ website contains numerous references to “Christo & Co” referring to itself for the most part as estate agents, valuers and surveyors. As both parties primary focus is and appears to be on the commercial property sector in Greater London, they are likely to want to attract the same type of customers using the same methods i.e. property listings in hard-copy and on-line, letting boards, personal relationships etc.

34. In its counterstatement, the proprietor stated that:

“7.[NC] has been known as Nicholas Christo by all his friends and work colleagues since 1998.”

35. The applicant countered this assertion by filing evidence which shows that in a number of academic certificates (from 2005, 2007 and 2011), professional

qualifications and related documents (from 2010 and 2011) and when recorded as a director of various companies on the Companies Register, NC is always referred to as Nicholas Christoforou and not as Nicholas Christo. As I mentioned earlier, this includes NC's membership of the Royal Institution of Chartered Surveyors and is to be contrasted with CC's membership of various professional organisations in which his surname is always recorded as "Christo." There are, however, examples in the evidence which show NC using the name Nicholas Christo, the earliest of which appears to be an e-mail dated 8 September 2014 sent by "Nicholas Christo" to Simon Worboys and Shaun Jenkins regarding the development at Rutland Mews. In my view, the recordal of NC's full name in the various professional and academic qualifications is not particularly surprising. Nor, in my view, is it a great leap for one to infer that customers already familiar with the business conducted by CC and Christo & Co would, given that NC is CC's son and had worked at Christo & Co since 2006, refer to him as Nicholas Christo; the e-mail mentioned appears to support that conclusion. However, the registered trade marks are not for Nicholas ChristoCRE or Nicholas Christo CRE (in relation to which the position may be different) but for ChristoCRE and Christo CRE alone.

36. As the case law above makes clear, it is applicant 2's customers or potential customers who must be deceived if it is to succeed. Although from after the relevant date, exhibit 53 consists of an e-mail from the proprietor dated 12 June 2015 sent from Property@ChristoCRE.com to Adam Velleman at adam@burlingtonpartners.com entitled "London Retail Investment Opportunity For Sale". Mr Velleman responded by forwarding this e-mail to NC at his old e-mail address at Christo & Co asking "Hi Nicholas – is this one of yours?" Similarly, exhibit 54 consists of a response to the same e-mail from the proprietor mentioned above, this time from Andrew Fisch of Rann Investments Limited which was forwarded to an employee of applicant 2 (Paul Stone) and in which Mr Fisch asks Mr Stone: "How much is this. Is it VAT registered?" In his statement, CC states that these e-mails:

"38...clearly show that clients of [applicant 2] were misled into thinking that there was a connection between the [proprietor] and [applicant 2]."

37. Although from after the relevant date, the above e-mails demonstrate how existing clients viewed the e-mails from the proprietor i.e. they assumed they had come from applicant 2. While the proprietor's submissions in relation to the manner in which professional practices such as estate agents conduct their business and their customer's expectations as a result have merit, in the circumstances of these proceedings, the reaction of Messrs. Velleman and Fisch (which I see no reason to assume are atypical), suggest that the proprietor's business was assumed to be connected to that of applicant 2; that, in my view, points to an operative misrepresentation.

Damage

38. Having concluded that there is goodwill and an operative misrepresentation, I must now go on and determine whether applicant 2 will suffer damage. In *Harrods Limited V Harroddian School Limited* [1996] RPC 697, Millett L.J. described the requirements for damage in passing off cases as follows:

“In the classic case of passing off, where the defendant represents his goods or business as the goods or business of the plaintiff, there is an obvious risk of damage to the plaintiff's business by substitution. Customers and potential customers will be lost to the plaintiff if they transfer their custom to the defendant in the belief that they are dealing with the plaintiff. But this is not the only kind of damage which may be caused to the plaintiff's goodwill by the deception of the public. Where the parties are not in competition with each other, the plaintiff's reputation and goodwill may be damaged without any corresponding gain to the defendant. In the *Lego* case, for example, a customer who was dissatisfied with the defendant's plastic irrigation equipment might be dissuaded from buying one of the plaintiff's plastic toy construction kits for his children if he believed that it was made by the defendant. The danger in such a case is that the plaintiff loses control over his own reputation.”

In *Ewing v Buttercup Margarine Company, Limited*, [1917] 2 Ch. 1 (COA), Warrington L.J. stated that:

“To induce the belief that my business is a branch of another man's business may do that other man damage in various ways. The quality of goods I sell, the kind of business I do, the credit or otherwise which I enjoy are all things which may injure the other man who is assumed wrongly to be associated with me.”

39. The evidence shows that the proprietor intends to trade in the same commercial and geographical area as applicant 2; the parties will compete for the same business. Given the nature and extent of the goodwill that (at least) applicant 2 enjoyed in the unregistered trade mark “Christo & Co” at the date the application was filed, combined with the high degree of visual and aural similarity between that trade mark and the proprietor’s trade marks, damage by at least substitution is, in my view, inevitable.

40. In my view, applicant 2 has satisfied all three elements of the tort of passing off. As a consequence, its application based upon section 5(4)(a) of the Act succeeds.

The applications based upon section 3(6) of the Act – bad faith

41. Although my decision on applicant 2’s application based upon section 5(4)(a) of the Act determines the outcome of these proceedings, in the event of an appeal, I will go on and consider the applications based upon section 3(6) of the Act.

Section 3(6) case law

42. The law in relation to section 3(6) of the Act (“bad faith”) was summarised by Arnold J. in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch):

“130. A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/Article 3(2)(d) of the Directive/Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of

many of these points, see N.M. Dawson, "Bad faith in European trade mark law" [2011] IPQ 229.)

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

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

133. Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

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

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

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

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

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

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

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the

relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

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

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

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

43. In essence, the applicants' position is that:

"..the [proprietor] has at all material times been aware of his father's prior and long-standing use of the identical name for identical business activities, particularly given the unique position of [NC] having been not only a long-time employee and director at [applicant 2], but also as the son to the founder and proprietor [applicant 1]."

44. The proprietor's position is that:

"10...The registered proprietor genuinely believed that it was entitled to apply for the trade mark as the sole shareholder and business trades as CHRISTOCRE and Christo Capital Real Estate. If, as [the applicants'] suggests, there was an intention to dishonestly appropriate the [unregistered trade marks upon which the applicants rely], then it is difficult to see why...the

registered proprietor did not simply apply for the mark CHRISTO or CHRISTO & Co. The fact that the registered proprietor chose to apply for a mark which reflects its business name and that such a name is different from the [unregistered trade marks upon which the applicants rely], is relied upon for the registered proprietor's good faith."

45. The relevant date for determining bad faith is the date the application for registration was filed i.e. 6 January 2015. In approaching the matter, I remind myself that bad faith is a serious allegation for which cogent evidence must be provided if it is to succeed. I must presume that the proprietor acted in good faith unless the contrary is proved; it is not enough for the applicants to prove facts which are also consistent with good faith.

46. Although the proprietor in these proceedings is Christo Capital Real Estate Limited, the evidence shows that NC is the sole director and controlling mind behind that company. In *Joseph Yu v Liaoning Light Industrial Products Import and Export Corporation* – BL O-013-05, Professor Ruth Annand as the Appointed Person held 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."

47. Thus the proprietor cannot escape a finding of bad faith, if NC acted in bad faith in causing the application to be filed. In reaching a conclusion on this point, it is necessary for me to first ascertain what the proprietor i.e. NC knew at the time the application was filed and having done so to then determine his intention. Although NC's intention is, of course, a subjective matter, I must, of course, reach a conclusion by reference to the objective circumstances.

48. The events which led to the filing of the application for registration were, it appears, precipitated by the divorce proceedings between CC and his ex-wife Betty which began in October 2014 and as a result of which, to use CC's own words, he and NC "fell out". The e-mail from NC (identified as "Nicholas Christo") to CC dated 24 October 2014 (exhibit 48) and the memo from CC to NC (identified as "Nicholas")

dated 10 November 2014 (exhibit 49), attest to the worsening relationship between the two individuals. On 15 December 2014, CC wrote to NC (identified as “Nicholas Christoforou”) suspending him “pending disciplinary investigations” and on the following day NC resigned as a director of applicant 2 and, states CC, terminated his employment.

49. In support of their claim to bad faith the applicants point to a range of factors including, inter alia, to: (i) details which appeared on the proprietor’s website (exhibit 47), (ii) two transactions which it claims the proprietor misappropriated (exhibits 48, 50 and 51), (iii) approaches to former clients of the applicants (exhibits 52-54), (iv) the proprietor’s registration of the CCRE trade mark and (v) that during his employment with applicant 2, NC was always known by his full name. Although the applicants also refer to a range of other factors, for example, the taking of various documents and a hard drive from applicant 2 and the planting of spyware on computers and mobile phones, there is no evidence in support of any of these claims and they will, as a consequence, play no part in my considerations.

50. In relation to point (i), in its counterstatement, the proprietor explains that these properties:

“16...were either acquired by Docklock Limited or by a third party client of the proprietor who had provided permission to the proprietor to place such details on its website.”

It goes on to state that:

“NC believed that he was entitled to refer to these details as work that he had previously done on his website.”

And:

“The web pages referring to those transactions were only active from around 6 January 2015 to mid January 2015.”

51. Docklock Limited is, of course, a company associated with the applicants. In my view, the use of the words “work he had previously done” is, on the balance of probabilities, highly suggestive of the fact that NC was working on these deals whilst a director of applicant 2. It further appears that once this was brought to the proprietor’s attention, the website was corrected.

52. As for the two transactions referred to in point (ii), in his statement CC states that whilst he “suspects” that NC has “misappropriated these deals/transactions for the benefit of the [proprietor]” he knows it to be the case in relation to the property in Rutland Mews. The evidence in relation to the first transaction (the house on the Wentworth Golf Estate) is in exhibit 48. In an email to CC dated 24 October 2014, NC (identified as Nicholas Christo”) states, inter alia, that:

“I, on my own have been able to secure...for [applicant 2].”

53. Although it is clear that this transaction was secured by NC on behalf of applicant 2, as there is no further evidence on the fate of this transaction, it does not assist the applicants’ claim to bad faith.

54. As to the house in Rutland Mews, exhibits 50 and 51 begin with an e-mail from NC (identified as “Nicholas Christo”) dated 8 September 2014 i.e. while he was still a director of applicant 2 and which specifically refers to applicant 2. The second e-mail was sent by Nicholas@Christo.co.uk on 11 November 2014. Although it is unclear to whom this e-mail was sent, it explains that “it is a new project I am looking to acquire for clients...”. It appears to have elicited a response dated 15 November 2014 from Malek Hammoud sent to “Nicholas Christo” in which he asks “What is the timeframe? construction time?” On 17 January 2015, an e-mail was sent by “Nicholas Christo” from Nicholas@ChristoCRE.Com. Christo Capital Real Estate is mentioned in the attachment to the e-mail indicating that they “will act for the Client in relation to total project management and employers representative...”. Other documents are provided, one of which consists of a single page described as an “Agreement For The Appointment of Employers Representatives In Relation To The Refurbishment Rutland Mews South London”; the Agreement was “made on the 15th Day of January 2015” and is between “The Rutland Trust (the client)...” and “Christo Capital Real

Estate Limited (“the Employer’s Representative...”). There is a further single page provided dated January 2015 which is described as “Rutland Mews South, London – Proposal for Provision of Quantity Surveying & Project Management – Contract Administration and CDM Co-ordination.” It indicates it was prepared for “Christo Capital Real Estate – Nicholas Christo.”

55. Point (iii) deals with what the applicants characterise as the proprietor’s approaches to its former clients. Although all are after the relevant date, as the case law mentioned above makes clear, such evidence can be helpful if it casts light backwards on the position at the material date. The first (exhibit 52) consists of an e-mail dated 5 March 2015 to “Nicholas Christo” (which I infer was sent to NC at his e-mail address at applicant 2) in which the writer states: “Dear Nicholas – You have told me that you are running new business for yourself beside your job at Christo & Co.” The other e-mails upon which the applicant’s rely (exhibits 53 and 54) are dated 12 June 2015 and consist of responses to an e-mail sent from Property@ChristoCre.com offering a retail investment opportunity in London. The responses to these e-mails were forwarded to applicant 2.

56. As for point (iv) the applicants state that the proprietor’s registration of the trade mark CCRE indicates that the proprietor “knew full well that it should not be registering a trade mark with the name CHRISTO for a company offering identical property services...” Not surprisingly, in its counterstatement, the proprietor submits that it means no such thing. Rather it was, it argues, simply to protect the abbreviation of its company name. This argument does nothing to advance the applicants’ case beyond that mentioned above and as a consequence I need say no more about it.

57. As to the final point i.e. that during his employment NC was always known by his full name, the evidence provided by the applicants does not support that conclusion. Whilst I accept that NC’s academic and professional qualifications all refer to him by his full name (as do the official records of his directorship of various companies), as I mentioned earlier that, in my view, is not particularly surprising. The fact that CC’s “own certifications” refer to him as “Christo” does not affect that conclusion. While the evidence does not show, as the proprietor states, that NC has been known as

Nicholas Christo by his friends and work colleagues since 1998, the applicants own evidence does show that from as early as September 2014 e-mails sent by NC referred to him as Nicholas Christo. As I mentioned earlier, given his relationship to CC and the fact that since 2006 he had worked for a company trading as Christo & Co, that is not particularly surprising. Thus, it appears to me that at the point at which NC caused the application for registration to be filed in the name of the proprietor, he was, on the balance of probabilities, likely to have been known (professionally at least) as Nicholas Christo for some time.

What did NC know when he caused the application for registration to be filed?

58. NC is CC's son. By the time the application for registration was filed in January 2015 he had been working for applicant 2 for over 8 years; he was a director of a number of companies related to and including applicant 2. There can be no doubt that by the time the application for registration was filed, NC would have had an intimate knowledge of both CC's business activities and those of applicant 2.

What was NC's intention when he caused the application for registration to be filed?

59. By the middle of December 2014, NC's employment with applicant 2 had been suspended; he later resigned as a director of applicant 2 and terminated his employment. However, he obviously wanted to carry on in the business in which he was professionally qualified. In order to do so, he elected to form a new company (the proprietor) and to register the trade marks the subject of these proceedings. The fact that the registered trade marks consist of the additional letters CRE is, in the proprietor's view, an indication of its good faith i.e. a clear attempt by it to distinguish itself from the business of applicant 2 of which NC was previously a director.

60. In my view, NC caused the application for registration to be filed to protect his future business activities following his departure from applicant 2. Given that at the time the application for registration was filed he was likely to have been known professionally as Nicholas Christo for some time and as he was the sole director of a company called Christo Capital Real Estate Limited, he may have genuinely believed

that he was entitled to register the trade marks the subject of these proceedings. However, as the case law makes clear, the proprietor's i.e. NC's own standards of acceptable commercial behaviour are irrelevant.

61. As I mentioned earlier, had he applied for Nicholas Christo CRE (or similar) the position may have been different. However, given: (i) the well-established goodwill applicant 2 enjoyed at the date the application for registration was filed, (ii) NC's relationship to CC, (iii) NC had worked for applicant 2 for some 8 years prior to causing the application to be filed and (iv) the likely descriptive nature of the acronym CRE in relation to the property related services the parties' provide, the fact that previous clients of applicant 2 assumed the parties were related was, in my view, inevitable. That state-of-affairs ought, in my view, to have been foreseen by NC prior to causing the application for registration to be filed. Whilst not, in my view, dishonest, NC's actions in causing the application to be filed in the circumstances I have described, fell short of the standards of acceptable commercial behaviour one would expect of reasonable and experienced people in, broadly speaking, the commercial property real estate sector; applicant 2's application based upon section 3(6) of the Act succeeds accordingly. Having reached that conclusion, it is not necessary for me to determine whether, for example, the incorrect details which initially appeared on the proprietor's website and the circumstances surrounding the Rutland Mews development (the latter of which NC worked upon whilst a director of applicant 2), were genuine misunderstandings on his part or conscious decisions to misappropriate business opportunities to which NC was exposed whilst a director of applicant 2.

Overall conclusion

62. Applicant 2's application under sections 5(4)(a) and 3(6) of the Act has been successful and, subject to any successful appeal, the registration will, under the provisions of section 47(6) of the Act, be deemed never to have been made.

Costs

63. As I mentioned earlier, the applications for invalidation and counterstatements in these proceedings were highly similar; following consolidation, the applicants filed a single witness statement. No hearing was requested nor were written submissions filed in lieu of attendance at a hearing. Although two separate applications for invalidation were filed (each attracting a £200 fee), it would have been more appropriate (and cost-effective) for one application to have been filed with CC and applicant 2 named as joint applicants. Given my earlier comments regarding, inter alia, applicant 1's pleadings, I have chosen to base my decision under both sections 5(4)(a) and 3(6) of the Act on applicant 2's position in these proceedings. I shall bear that and the two applications point in mind when making an award.

64. Awards of costs are governed by Tribunal Practice Notice ("TPN") 4 of 2007. Using the TPN mentioned as a guide, I award costs on the following basis:

Preparing a statement and considering the proprietor's statement:	£300
Preparing evidence:	£1000
Written submissions:	£300
Official fee:	£200
Total:	£1800

65. I order Christo Capital Real Estate Limited to pay to C Christo & Co the sum of **£1800**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 20th day of March 2017

C J BOWEN

For the Registrar

The Comptroller-General