

**IN THE HEARINGS AND MEDIATION DEPARTMENT OF
THE INTELLECTUAL PROPERTY OFFICE OF SINGAPORE
REPUBLIC OF SINGAPORE**

Trade Mark No. 40201715235Y

Hearing Date: 5 November 2019

Further Submissions: 19 November 2019; 3 December 2019

**IN THE MATTER OF A TRADE MARK APPLICATION BY
GOLDEN CALA TRADING EST**

AND

**OPPOSITION THERETO BY
FLORIAN MACK**

Hearing Officer: Ong Sheng Li, Gabriel
Principal Assistant Registrar of Trade Marks

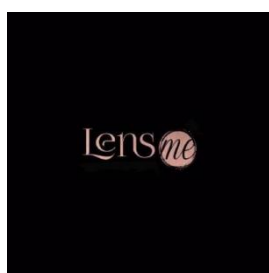
Representation:

Mr Marcus Chui (JurisAsia LLC) for the Opponent

Ms Teresa O'Connor and Ms Zinia Ang (Infinitus Law Corporation) for the Applicant

GROUND OF DECISION

1 This dispute concerns two traders in the contact lens industry based primarily in the Gulf or “Middle East” region of the world. The subject of the opposition is the trade mark represented below (Trade Mark No. 40201715235Y), which was applied to be registered in Class 9 for “*Contact lenses*”.



(“Application Mark”)


2 In case the image is not entirely clear, the stylised words in the Application Mark are “LENS ME”. The second word, “ME”, is contained within a circle which some—given the presence of the word “LENS”—might consider to be a representation of a contact lens.

3 The Application Mark was applied for on 10 August 2017 (“Relevant Date”). On 26 February 2018, Mr Florian Mack (“Opponent” or “Mr Mack”) filed to oppose the Application Mark. He relied on two grounds of opposition: (a) bad faith under s 7(6) of the Trade Marks Act (Cap 332 Rev Ed 2005) (“TMA”); and (b) passing off under s 8(7)(a) TMA.

The parties

The Opponent and Sky Optical

4 Mr Mack, a German national and a businessman, is the proprietor of the following trade

mark:  (“Opponent’s Mark”).

5 At the Relevant Date, the Opponent’s Mark was registered or applied for in a number of jurisdictions outside of Singapore, including the European Union, the United Arab Emirates (“UAE”), and the United Kingdom.¹ Critically however, the Opponent did not have any applications or registrations in Singapore for the Opponent’s Mark.

6 Mr Mack did not commercially exploit the Opponent’s Mark in person. Instead, he licensed it to Sky Optical LLC (“Sky Optical”), a company incorporated in the UAE which he was director, chairman and general manager of. Sky Optical was and is in the business of distributing and selling contact lenses to customers worldwide through its online store located at the following website www.lens.me.

The Applicant

7 The trade mark applicant, Golden Cala Trading EST (“Applicant” or “Golden Cala”), is a company incorporated in Saudi Arabia. It was in the business of distributing and selling contact lenses primarily in the Middle East region.

8 Golden Cala applied to register the Application Mark in a number of jurisdictions outside of Singapore, including France, Hong Kong, Bahrain, Germany and Saudi Arabia. It has obtained trade mark registrations in some, but not all, of these jurisdictions.

Disputes elsewhere

9 Given the parties’ various trade mark filings and registrations, it would come as no surprise that some of each side’s marks were contested by the other party. The parties are or have been embroiled in trade mark disputes elsewhere (e.g. in the UK and in the UAE) in

¹ In respect of one or more of the following: (a) contact lenses and other related goods in Class 9; (b) online retail store services relating to cosmetic and beauty products in Class 35; and (c) optical services in Class 44.

relation to the Opponent's Mark or the Application Mark. I will discuss these other disputes, only to the extent relevant and necessary, later in this decision.

Statutory declarations

10 Evidence was led in these proceedings in the usual way: via statutory declarations ("SD(s)"). The following SDs were tendered during the standard rounds of evidence. First, Mr Mack gave SD evidence on behalf of himself and Sky Optical ("Mack's First SD"). Next, Mr Ghazi Ashwi Mater Alanazi ("Mr Alanazi"), a director and shareholder of the Applicant, gave evidence on its behalf ("Alanazi's First SD"). Thereafter, Mr Mack gave his evidence-in-reply ("Mack's Second SD").

11 During the pre-hearing review, directions were given for certain documents exhibited to the abovementioned SDs to be translated from Arabic into the English language. Both sides filed additional statutory declarations in compliance with those directions. The Opponent engaged a legal translator, Mr Mohamed Said Elsayed, to translate certain Arabic documents and formally introduced them into evidence via the translator's SD. As for the Applicant, its Arabic documents were translated into English by Mr Alanazi, who exhibited them in a supplementary SD.

12 Since neither side applied for cross-examination, the abovementioned SDs comprised the entirety of the evidence in these proceedings.

Background facts

13 In the past, both Golden Cala and Mr Mack (through Sky Optical) were authorised distributors of a brand of coloured contact lenses known as "ANESTHESIA". The Opponent sold "ANESTHESIA" lenses primarily in the UAE whereas the Applicant—or at least its key directors Mr Alanazi and Mr Musret Almutairi—sold them in neighbouring Saudi Arabia. Both parties obtained their supply of "ANESTHESIA" lenses from Monros International, the main distributor in the Gulf region. The owner of Monros International was one Dr Salem.

14 For a period, the parties sold "ANESTHESIA" contact lenses at around the same time without having any direct business dealings with each other. In mid-2015, two key events took place. The first was the launch of Sky Optical's online contact lenses store (www.lens.me) in June 2015. The second, which took place sometime afterwards, was the termination of the distribution agreement between Monros International and Golden Cala. (The Opponent, through Sky Optical, continued to distribute "ANESTHESIA" lenses on www.lens.me.)

Outline of Applicant's case

15 The essence of the Applicant's case was that it had every right to use and register the Application Mark. It contended that it was the first to develop and use the trade mark "LENS ME", and more specifically the Application Mark, in relation to contact lenses. According to Mr Alanazi, the word "lens" in the Application Mark was derived from "contact lenses" and "me" was a reference to the "Middle East".

16 Mr Alanazi claimed that the Applicant's plans in respect of the Application Mark began in 2013 which was when it engaged a South Korean company known as i-codi Co. to produce contact lenses. A Kuwaiti distributor known as Swiss Medical Services was said to have been

first appointed in 2014 to distribute these contact lenses. Initially, these lenses were sold to customers primarily in the GCC (or Gulf Cooperation Council) region, but the Applicant later started selling to customers elsewhere around the world. On 29 October 2016, the Applicant registered the domain name www.lensme.me and later launched its own website as well.

17 According to the Applicant, the events outlined above caused friction with Dr Salem of Monros International. The suggestion was that Dr Salem was so displeased with the fact that the Applicant had started its own brand of contact lenses that the Applicant lost the right to distribute “ANESTHESIA” contact lenses. Although details were not provided, it was also contended that Dr Salem had thereafter instigated the Opponent to enter into a dispute with the Applicant and backed the Opponent in the dispute.

Outline of Opponent’s case

18 Mr Mack claimed that he conceived of using “LENS ME” as a brand name as far back as the year 2006. He took steps to personally register the domain name <http://lensme.com> on 1 March 2006. Although his plans for the brand only came to fruition much later through the launch of Sky Optical’s website www.lens.me in 2015, he continued to maintain ownership of the <http://lensme.com> domain name all throughout that time.

19 By his own account, Mr Mack created the representation of the Opponent’s Mark in or around March 2015. The Opponent’s Mark was the primary trade mark used on and in connection with the www.lens.me online store. Notably however, the Opponent’s Mark (and/or “LENS ME” for that matter) had never been directly applied to contact lenses as a product. This was because all of the contact lenses sold on www.lens.me were manufactured by and originated from third parties unrelated to the Opponent.

20 For the passing off ground of opposition, Mr Mack acknowledged that the Opponent’s Mark had not been registered in Singapore but contended that what was key was that the mark had not only been used and advertised *in Singapore* in connection with Sky Optical’s e-commerce platform, but also that there were actual customers in Singapore who had purchased contact lenses from the website. Conversely, he stressed that there was no evidence that the Application Mark had ever been used in Singapore.

21 As regards the bad faith ground of opposition, the Opponent contended that the Applicant was aware of Sky Optical’s “LENS ME” online store business and its commercial potential. He argued that the Application Mark was deceptively similar to the Opponent’s Mark and pointed out, among other things, that the Applicant had registered a very similar domain name as well: www.lensme.me (which was simply www.lens.me with the addition of another “me” after the word “lens”). Various allegations were made in this vein but Mr Mack’s central point was that the Applicant was seeking to usurp “LENS ME”—a trade mark which the Opponent considered his own.

The hearing

22 On 5 November 2019, the matter came before me for a full hearing. Both sides were represented by counsel. After hearing arguments, I gave parties leave to file further brief submissions in relation to certain issues including: (a) the number of the Opponent’s customers in Singapore and the volume of actual sales to these customers prior to the relevant date; and (b) the status of a parallel opposition in the UK between the same parties concerning an

application to register what was essentially the same trade mark in the UK for “contact lenses” and various other goods in Class 9.

23 Both sides tendered further submissions in accordance with the relevant timelines. Thereafter, the Opponent made a further request to introduce a new decision from the UAE which it considered to be relevant since it involved the same two parties. Naturally, this attempt was resisted by the Applicant. I then convened a telephone case management conference (“Tele-CMC”) to discuss the request with parties’ counsel. At the conclusion of the Tele-CMC, I gave the Opponent the option of filing the decision together with brief submissions (of no more than 2 pages) provided that it agreed to bear the costs of doing so. On 7 January 2020, the Opponent decided to withdraw the aforementioned request.

Outcome

24 After due consideration, I have come to the conclusion that the Opponent has established its case in respect of the passing off ground (under s 8(7)(a) TMA) but not the bad faith ground (under s 7(6) TMA). Since the Opponent only needs to succeed on one ground of opposition, it follows that the Application Mark is refused registration. My full reasons are set out below.

MAIN DECISION

Opposition under s 8(7)(a) TMA: Passing Off

25 Section 8(7)(a) TMA provides that a trade mark shall not be registered if, or to the extent that, its use in Singapore is liable to be prevented “*by 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*”.

26 To succeed under s 8(7)(a) TMA, the Opponent must establish a *prima facie* case of passing off (*Rovio Entertainment Ltd v Kimanis Food Industries Sdn Bhd* [2015] 5 SLR 618 at [164]) as at the Relevant Date of 10 August 2017. The classic elements of the tort of passing off are: (a) goodwill; (b) misrepresentation; and (c) damage. The key principles relating to each element have been discussed in a number of decisions of the Court of Appeal, including *Singsung Pte Ltd v LG 26 Electronics Pte Ltd (trading as L S Electrical Trading)* [2016] 4 SLR 86 (“*Singsung*”) and *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216, which I have had regard to.

Goodwill

27 I begin with the first element: goodwill.

28 Goodwill, simply put, is the legal property that the law of passing off protects. An “*amorphous idea that does not sit well with strict definitions*” (see *Singsung* at [32]), goodwill is perhaps best explained as a term which “*describes the state of the trader’s relationship with his customers*” (see *Singsung* at [32] citing *The Singapore Professional Golfers’ Association v Chen Eng Waye* [2013] 2 SLR 495 (“*SPGA*”) at [22]). In *The Commissioners of Inland Revenue v Muller & Co’s Margarine, Limited* [1901] AC 217 at 223-224 (cited in *Singsung* at [32]), Lord Macnaughten famously described it as “*the benefit and advantage of the good name, reputation, and connection of a business*” and “*the attractive force which brings in custom*”.

29 Because passing off concerns the relationship of a trader and its customers, the goodwill that is relevant to a passing off action does not lie in the “*constituent elements, such as the mark, logo or get-up*” which a business uses. Rather, goodwill is concerned with the business “*as a whole*”. Goodwill “*does not exist on its own, but attaches to a business in the jurisdiction and is manifested in the custom that the business enjoys*” (see *Singsung* at [34] and the authorities cited there.) Goodwill may be proved “*by evidence of sales or of expenses incurred in promoting the goods and services in association with the mark, brand or get-up which they bear*” (*Singsung* at [34] citing *SPGA* at [22]).

The evidence

30 Mr Mack was not cross-examined and unless stated otherwise, I accept his evidence and make the corresponding findings of fact in the paragraphs below.

31 As touched upon earlier, Mr Mack first conceived of using “LENS ME” as a brand name in 2006 and personally registered the <http://lensme.com> domain name on 1 March 2006. After the launch of the online store at www.lens.me in mid-2015, visitors to <http://lensme.com> would be redirected to the main www.lens.me page. The choice of “.me” as a country level domain name was a deliberate one; it was designed to fit in with the Opponent’s “LENS ME” (or the “LENS dot ME”) concept.² However, Mr Mack was not the first to register www.lens.me. It was registered by an unrelated third party and the Opponent obtained it by way of transfer in April 2015, about a month before the launch of the online store.

32 Sky Optical offered worldwide shipping for the medical and cosmetic contact lenses sold on its www.lens.me portal. Consequently, it also had customers not only in the Gulf region but also in other places around the globe. The primary trade mark used in connection with www.lens.me was the Opponent’s Mark. It is also worth noting that all the invoices issued by Sky Optical bore a representation of the Opponent’s Mark on the top left.³ Importantly, Sky Optical had made actual sales of contact lenses to customers in Singapore. The first recorded sale to a customer in Singapore was on 9 January 2016 and sales to various other customers in Singapore took place across various dates all the way up to the Relevant Date (and beyond). In the main body of Mack’s First SD, he stated that from 9 January 2016 (i.e. the date of first sale in Singapore) to 8 August 2018, the total revenue generated from sales from the www.lens.me website to customers in Singapore was more than US\$64,000. This was generated through more than 500 separate orders. Supporting documents were provided.⁴

33 To support the launch of the www.lens.me online store, the Opponent set up social media accounts on Instagram (created June 2015), Facebook (created July 2015), Twitter (created July 2015), and YouTube (created October 2015). A Pinterest social media account was added later (created August 2016). All of these accounts were either named “lensdotme” or “lens.me”. In addition to setting up these social media accounts, the Opponent used online marketing methods. It engaged Google and other service providers to place internet advertisements to attract possible consumers—including consumers in Singapore—to the www.lens.me website. Insofar as advertising figures were concerned, the Opponent claimed that over US\$13,000 had been spent on online advertising relating to Singapore between 2015 and 2018. In addition, the Opponent also relied on Google analytics data to show that there had indeed been visitors from Singapore to the www.lens.me website. That said, a relatively small proportion of visitors from

² Singapore’s equivalent is “.sg”.

³ Mack’s First SD at Exhibit FM-9

⁴ Mack’s First SD at Exhibits FM-9 and FM-10

Singapore—which on average numbered in the low hundreds each month—made purchases from the site. Records from Google Analytics appeared to suggest that on average, between 1-2% of the visitors ultimately made a purchase.⁵ This was, all told, not particularly unusual given the nature of electronic advertising of products or services over the internet.

Key arguments

34 In summary, the Opponent’s case was that the evidence showed that he had, at the Relevant Date (10 August 2017), the requisite goodwill in order to sustain an action in passing off. In this regard, he reiterated two main points. One: Sky Optical made *actual sales* of contact lenses to customers in Singapore through its www.lens.me website under the Opponent’s Mark. The first sale took place in January 2016 and sales to customers in Singapore have continued ever since then. Two: Sky Optical advertised to customers in Singapore through the internet and individuals from Singapore have visited the www.lens.me website.

35 In response, the Applicant contended that the Opponent had failed to prove the existence of goodwill. Its key arguments were run along the following lines: (a) this tribunal should view the Opponent’s evidence (and in particular the figures of US\$64,000 in revenue through 500 separate orders as well as US\$13,000 in advertising spend) with great caution given that the sales figures and advertising spend in evidence included numbers *after* the Relevant Date; (b) when one looks at the actual supporting invoices, only about 23 different individuals had purchased contact lenses from www.lens.me prior to the Relevant Date; (c) all things considered, the business in Singapore under the Opponent’s Mark was in fact *de minimis*.

36 Additionally, the Applicant forcefully argued that since Sky Optical did not actually sell contact lenses bearing the Opponent’s Mark, the logical inference must be that online shoppers were in reality looking for third party contact lenses (e.g. “HIDROCOR”, “SOLOTICA” and “ANESTHESIA”) and discovered www.lens.me as being one of the online retailers of such third party lenses. In other words, consumers in Singapore were not actually seeking out Sky Optical’s website because they were attracted to the brand “LENS.ME” or the Opponent’s Mark. Rather, their primary concern was about whether they could purchase their desired contact lenses from a website and have them delivered to Singapore. This, the Applicant argued, militated against a finding of goodwill.

37 During the hearing, I asked counsel for the Opponent to provide clarification as to the actual sales in Singapore prior to the Relevant Date. This was possible because Mr Mack had already provided sample copies of the relevant invoices together with an Excel spreadsheet containing relevant data of all sales such as the date of purchase, the address of the customer, the quantity purchased and the price of the goods.⁶ In further submissions, counsel for the Opponent clarified that the sales prior to the Relevant Date was approximately US\$10,703.98 arising from 102 completed orders placed by 74 customers. The Opponent also confirmed that the invoices adduced in evidence were not exhaustive (meaning that they were a representative sample) of what had been recorded in the Excel spreadsheet.

Evaluation

38 All things considered, it was clear from the evidence that the Opponent had, through Sky Optical, used and advertised the Opponent’s Mark in connection with its www.lens.me business

⁵ Mack’s First SD at Exhibit FM-10

⁶ The Excel sheet is located at the end of the set of documents in Exhibit FM-9 of Mack’s First SD

conducted over the internet, and that it had approximately 74 actual customers in Singapore prior to the Relevant Date (although it had more thereafter). In the circumstances, one could describe Sky Optical's business relating to Singapore as modest at best. Could a modest business of this sort be sufficient to support a finding of goodwill? Because each case necessarily turns on its own facts, the authorities do not lay down rigid rules as to where the boundaries lie. It is all a matter of fact and degree.

39 In my judgment, there was on balance sufficient evidence of goodwill. The Opponent's Mark may not have been used as a specific brand of contact lenses, but the key point was that the Opponent's Mark had been used in Singapore in connection with the www.lens.me online business and there were in fact customers in Singapore who had made purchases from the website and received their goods. I am reminded of the Court of Appeal's exhortation in *Singsung* (at [67]) that "*goodwill clearly exists in Singapore when a business offers a product or service for sale in this jurisdiction, and a customer purchases the product or consumes the service here*". Importantly, this was not a case where a mark was placed on the internet or used in online advertising generally without further active steps taken under that mark within the relevant jurisdiction (see, for example, *Weir Warman Ltd v Research & Development Pty Ltd* [2007] 2 SLR(R) 1073 ("*Weir Warman*") at [106] to [108] and the cases discussed therein). On the contrary, the Opponent clearly took active steps in connection with the Opponent's Mark in this jurisdiction which ultimately generated not just awareness but also actual sales.

40 Furthermore, there was one aspect of the Opponent's evidence that stood out. And it was this: the Excel spreadsheet recorded that a number of www.lens.me customers made repeat purchases.⁷ For example, the very first customer in Singapore who purchased from www.lens.me on 8 Jan 2016 was a person known as Drew Ng. He made a repeat purchase on 5 June 2016. To give another example, one Tabitha Nauser made her first purchase on 2 May 2016 and a repeat purchase on 7 June 2016. And one user known as Natalie Siobhan Yap purchased lenses on 7 November 2016, 23 January 2017 and 29 May 2017. The Excel spreadsheet records various other repeat customers and it is unnecessary to list them all.

41 It may well be—as the Applicant has suggested—that all of the customers from Singapore simply stumbled upon the www.lens.me site at first, perhaps through targeted advertisements and suggestions. However, this shows that the advertisements the Opponent paid for actually worked to some degree. And more importantly, after paying for and receiving their goods, some of the customers went back to the website again to make further purchase(s). Surely by that time the purchasers would have had particular regard to the specific site they were purchasing from and the trade mark(s) used on the website. They may have done so because they liked the price of the goods or the fact that Sky Optical shipped to Singapore or they may have had their own other reasons. But the point is that they went back. This was evidence of an attractive force that brought in custom. This was evidence of goodwill.

Misrepresentation

42 Next, misrepresentation.



43 In *SPGA* (at [25]), the Court of Appeal stated that: "*Misrepresentation in the tort of passing off can take many forms, but a common form is where the defendant [here: the Applicant], by its choice of mark or name, misrepresents to the relevant public that its good or*

⁷ *Ibid*

services are actually those of, or are related to or associated with the claimant's [here: the Opponent]. To put it another way, the question may be asked whether the defendant is tapping on the claimant's established goodwill by using the mark, name or get-up in question". It is this same common form of the tort that is in issue in the present case.

44 In *Singsung* the Court of Appeal held (at [40]) that: “*Whether misrepresentation has occurred is a question to be determined by the court in the light of the surrounding circumstances. The misrepresentation in question must give rise to confusion (or the likelihood thereof) in order to be actionable under the law of passing off. This is ultimately a matter for the court's judgment and it is not to be determined on a visual side-by-side comparison. Rather it is to be assessed from the vantage point of a notional customer with imperfect recollection. While evidence of actual confusion, such as the testimony of a witness, may be helpful in the court's determination of the question, the lack of such evidence is not fatal to a claim*”.

45 Although I have borne in mind the principle that the assessment for misrepresentation should not be conducted through a visual side-by-side comparison, it is convenient in a decision such as this to reproduce the competing trade marks in a table format for ease of reference.

Opponent's Mark	Application Mark
	

46 The starting point of the Opponent's submissions was that the Application Mark and the Opponent's Mark were almost identical—or at least very similar—visually, aurally and conceptually. Arguments were presented to the effect that the competing marks only differed in very minor stylistic ways. From this premise, the Opponent submitted that the Application Mark should be refused registration because, on account of their confusing similarity, average consumers would be misled into believing that the goods offered under the Application Mark (here: contact lenses in Class 9) are those of the Opponent or that of a commercially linked entity. Additionally, the Opponent argued that the Applicant had intentionally misrepresented itself as the Opponent in order to tap on or usurp the goodwill which the Opponent had painstakingly developed in the course of its business. Finally, the Opponent provided evidence of three instances which he considered to be proof of confusion arising from the use of the competing marks.⁸

47 In response, the Applicant stressed that when taken as a whole, the competing marks were not similar except in a very superficial sense. It pointed, in this connection, to the different colours and the artwork and the differences in graphic design and argued that these were completely different to that of the Opponent's Mark. Furthermore, the Applicant argued that the plain words “LENS ME” possessed a very low degree of distinctiveness and it would not be fair for the Registrar to give the Opponent proprietary rights in respect of those words alone.

⁸ Mack's First SD at [16] – [18] and Exhibits FM-15, FM-16, FM-17

The Applicant also contended that if it had been truly intended to pass off its goods/services as those of the Opponent, it would have copied the same design elements. Reference was also made to the fact that, in trade, the Applicant also used the following variation of the Application Mark, which it contended was different from the Opponent's Mark:



48 Various other arguments were advanced by the Applicant, but they orbited around three main themes: (a) the Applicant was conducting a legitimate business in connection with the Application Mark and it cannot be that the Opponent has a monopoly over the words “LENS ME” used in connection with an online store; (b) the Application Mark had been first used in 2014 in the Gulf Cooperation Council region (that is: Saudi Arabia, Kuwait, UAE, Qatar, Bahrain and Oman) whereas the Opponent's Mark had only been used in mid-2015 with the launch of the www.lens.me website; (c) the evidence of confusion provided by the Opponent should not be given weight because they did not relate to the relevant time period, the relevant consumers in Singapore, and/or a comparison between the marks.

49 In my judgment, it is clear that the element of misrepresentation has been established for the following reasons.

- a. First, it is plain and obvious that even though the competing marks may not be identical (because of the “.” or “dot” in the Opponent's Mark which is absent in the Application Mark), they are nevertheless similar visually, aurally and conceptually to a very high degree. Both marks feature the same three key elements: (a) the word “lens”; (b) the word “me” which appears immediately to the right of the word “lens”; and (c) a circle that surrounds the word “me” which looks much like a single contact lens. Notably, in both marks, the letters “me” are visually in contact with the circle and feature contrasting colours (as compared to the space occupied by the circle) which has the effect of making those letters rather striking in appearance. While there are some stylistic differences such as colour and font, they are minor and do not alter the overall analysis.
- b. Second, I was not persuaded by the Applicant's argument that the plain words “LENS ME” possess a very low degree of distinctiveness. Granted, “LENS ME” does not possess as high a degree of inherent distinctiveness as compared to, say, an invented word or term. However, this did not mean that the plain words “LENS ME” had a very low degree of distinctiveness. I would prefer to describe the level of distinctiveness as “normal” or “ordinary”. In any event, the Opponent's Mark was more than just “LENS ME”, and the Opponent was not claiming rights in respect of the plain word mark alone. The point was that the Opponent's Mark featured a visually impactful circle around the word “ME”: a feature that was also present in the Application Mark.
- c. Third, there has been actual use of the Opponent's Mark in Singapore both in the course of trade and in the context of advertising. On the other hand, there was no evidence that the Application Mark (or any variation thereof) had ever been used in Singapore. Whether the Applicant was conducting business abroad—and if so,

the nature of its business—had little to no relevance to the issue of misrepresentation which, at the end of the day, had to be assessed by reference to the situation in Singapore.

- d. Fourth, in assessing misrepresentation it is relevant to consider the Opponent’s field of business in respect of which it enjoyed goodwill (here: the business of operating an online store for contact lenses) as against the goods in respect of which registration under the Application Mark was sought (here: “*Contact lenses*” in Class 9). The respective fields of business either overlap or are very close. Consequently, having regard to the high degree of similarity between the marks and the nature of the Opponent’s business, the notional average consumer with imperfect recollection encountering the Application Mark would likely be confused into thinking that contact lenses supplied under the Application Mark originate from or are otherwise commercially linked to the Opponent.

50 As regards the three alleged instances of confusion between the competing marks mentioned in Mr Mack’s evidence, I do not think that it is necessary to discuss them in detail. All that needs to be said is that they took place after the relevant time period and did not relate to consumers in Singapore. Nevertheless, the larger point is that misrepresentation is an issue for the tribunal and not for witnesses, and my view—as stated above—is that this element of the tort has been made out.

Damage

51 The third and final element is damage, or the likelihood thereof, to the claimant’s goodwill. The law recognises the possibility of various categories or “heads” of damage but only two were relevant to this case: (a) damage through diversion of sales (see *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd and anor and anor appeal* [2013] 2 SLR 941 at [118]); and (b) damage through restriction of business expansion opportunities (see *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc and anor and anor appeal* [2014] 1 SLR 911 at [125] – [127]).

52 Typically speaking, damage through diversion of sales arises where the parties are direct competitors in the same fields of business activity. In this case, although the Opponent did not manufacture and sell contact lenses bearing the Opponent’s Mark, it was nevertheless operating a website that sold contact lenses under the Opponent’s Mark. And, the Application Mark was sought to be registered for “*Contact lenses*” in Class 9. Clearly, the fields of business overlapped or were very close to each other. Given the foregoing, and the high degree of similarity between the marks, the average consumer would likely be confused as a result. Logically, it would follow that the Opponent would likely suffer damage through the loss of sales and/or the loss of the ability to extend its business to the manufacture and sale of contact lenses bearing the Opponent’s Mark. I therefore find that this element has been established.

Conclusion: s 8(7)(a) TMA

53 For the reasons above, I would allow the opposition under s 8(7)(a) TMA.

54 I acknowledge that my decision could be criticised as one which seems to swim against the current of a first-to-file trade mark system. Some might argue, in this connection, that since

there was no prior trade mark application or registration for the Opponent’s Mark, the Applicant was simply exercising its first mover advantage by applying to file in this jurisdiction.

55 However, my response would be this: the Opponent has amply proved that it enjoyed goodwill in Singapore at the Relevant Date whereas the Applicant furnished no documentary proof that goods bearing the Application Mark have ever been sold here. In other words, the Opponent had prior rights in this country. Furthermore, this was a case involving highly similar trade mark and overlapping or close fields of business activity giving rise to likelihood of confusion. And lest it be forgotten, the TMA expressly preserves the law relating to passing off: see s 4(2) TMA (the relevant part of which states: “*nothing in this Act shall affect the law relating to passing off*”) and also, of course, the present section: s 8(7)(a) TMA. My refusal to allow the Application Mark to be registered on the passing off ground does not in any way undermine the trade marks regime. The system is working just as Parliament intended.

56 A final point before moving on. There appeared to be a suggestion by the Opponent—mirrored also in the bad faith ground of opposition—that the Applicant had intentionally sought to pass off itself as (or somehow commercially linked to) the Opponent. Since subjective intention to pass off is not a requirement of the tort and the evidence did not clearly point one way or the other, I did not consider it necessary to make any findings in this regard.

Opposition under s 7(6) TMA: Bad faith

57 Section 7(6) TMA provides that a trade mark “*shall not be registered if or to the extent that the application is made in bad faith*”. The legal principles that are relevant to this ground of opposition are well-settled. I restate them briefly in the sub-paragraphs that follow.

- a. An allegation of bad faith is a serious claim to make and it must be sufficiently supported by the evidence. A finding of bad faith needs to be distinctly proved and this will rarely be possible by a process of inference (*Valentino Globe BV v Pacific Rim Industries Inc* [2010] 2 SLR 1203 (“*Valentino*”) at [30] referring to *Nautical Concept Pte Ltd v Jeffery Mark Richard and anor* [2007] 1 SLR(R) 1071 at [15].⁹)
- b. Bad faith embraces not only actual dishonesty but also dealings which would be considered as commercially unacceptable by reasonable and experienced persons in a particular trade, even though such dealings may otherwise involve no breach of any duty, obligation, prohibition or requirement that is legally binding upon the registrant of the trade mark. (*Valentino* at [28] referring to *Weir Warman* at [48].) In this regard—a point stressed by Opponent’s counsel—bad faith has “*moral overtones*” (*Valentino* at [26] referring to *Demon Ale Trade Mark* [2000] RPC 345 at 356).
- c. The test for determining the presence of bad faith is a “combined” one, in that it contains both a subjective element (*viz*, what the particular applicant knew) and an objective element (*viz*, what ordinary persons adopting proper standards would think). Bad faith as a concept is context-dependent. In the final analysis, whether bad faith exists or not hinges on the specific factual matrix of each case. (*Valentino*

⁹ However, as observed in Ng-Loy Wee Loon, *Law of Intellectual Property of Singapore* (Second Edition) Sweet & Maxwell 2014 at [21.4.1], footnote 109, this does not mean that there is an absolute prohibition against drawing inferences. In support of this observation, the learned author cited the decision in *Festina Lotus SA v Romanson Co Ltd* [2010] 4 SLR 552 at [115], where the High Court pointed out that a finding of bad faith was largely, if not invariably, based on circumstantial evidence.

at [29] referring to *Wing Joo Loong Ginseng Hong (Singapore) Co Pte Ltd v Qinghai Xinyuan Foreign Trade Co Ltd* [2009] 2 SLR(R) 814 (“*Wing Joo Loong*”) at [105] – [117].) In *Wing Joo Loong*, the “combined” subjective-objective test was framed in the following way: the party claiming bad faith “*must show not only that the conduct of [the counter party] in applying for the registration of the [subject mark] fell short of the normally accepted standards of commercial behaviour, but also that [the counter party] knew of facts which, to an ordinary honest person, would have made [the counter party] realise that what [it] was doing would be regarded as breaching those standards*”. (*Wing Joo Loong* at [107].)

- d. The legal burden of proof lies on the party bringing the application (here: the Opponent). (*Valentino* at [21] referring to *Wing Joo Loong* at [33].) (See also *Montford Services Sdn Bhd v USA Pro IP Limited* [2018] SGIPOS 3 at [13] which makes it clear that the applicable standard of proof is the civil standard—i.e. on a balance of probabilities.)
- e. The relevant time for determining whether there is bad faith is the time of filing the application for registration. (See *Leonid Kovalkov v Tan Siew Keng Angeline* [2016] SGIPOS 10 at [29], wherein the learned IP Adjudicator cited *Kerly’s Law of Trade Marks and Trade Names* (15th Ed) (Sweet & Maxwell, 2011) at [8-263], which referred in turn to the decision of the European Court of Justice in *Chocoladefabriken Lindt & Sprungli AG v Franx Hauswirth GmbH* (C-529/07) for this proposition.) However, the rule that bad faith must be assessed as at the time of filing the application for registration is not an absolute one. In certain cases, the consideration of matters which occurred after the date of application may assist in determining the applicant’s state of mind at the date of registration. (*PT Swakarya Indah Busana v Dhan International Exim Pte Ltd* [2010] 2 SLR 109 at [91] citing *Ferrero SpA’s Trade Marks* [2004] RPC 29 and *Tesco Stores Ltd’s Trade Mark Applications* [2005] RPC 17.)

Key arguments

58 The Opponent’s case under the bad faith ground of opposition was premised on the fact that Mr Mack was—at least between the two parties—the first to come up with the idea of using “LENS ME” as a brand name (in 2006). From that starting point, he built a case that was structured along the following lines of argument:

- a. Both the Applicant and the Opponent were, at one point, distributing “ANESTHESIA” lenses in the Gulf region at around the same time. In mid-2015, the Opponent, through Sky Optical, launched the www.lens.me online store and subsequently promoted and advertised it extensively online and in particular through social media. As a result of their shared history and geographical proximity, combined with Sky Optical’s advertising and promotional efforts, the Applicant’s directors knew or must have known of the Opponent’s Mark and the commercial potential for an online shop for contact lenses under the mark.
- b. Mr Mack’s evidence, which I accept, was that in May 2016, the Applicant’s directors (Mr Alanazi and Mr Almutairi) were present at a dinner, held in connection with BeautyWorld exhibition in Dubai, at the invitation of Dr Salem (the main distributor for “ANESTHESIA” lenses). As supporting evidence, Mr

Mack provided photographs which showed that he was not only at that dinner but was seated across the table from the Applicant's directors.¹⁰

- c. Building upon the evidence relating to the BeautyWorld exhibition dinner, the Opponent argued that *even if* the Applicant's directors were not aware of Sky Optical's business under the Opponent's Mark prior to the dinner, they must have been aware as a result of the dinner. It was also argued that the Applicant had only just started to launch its plans in connection with the Application Mark. (For instance, on 29 October 2016, the Applicant registered the domain name www.lensme.me and later on started selling contact lenses online bearing the Application Mark.)

59 The Applicant's case was that Application Mark had not been applied for in bad faith because, among other things, its directors were not aware of the Opponent's business activities in Singapore and it had every right to register the trade mark in this country. Its submissions were presented along the following lines.

- a. The Opponent may have obtained a registration for the <http://lensme.com> domain name in 2006 but ultimately he did nothing with it until mid-2015. Mere registration of this domain name, without more, conferred no rights apart from bare title to the domain name. Conversely, the Applicant had independently created the Application Mark and there was documentary evidence that it had made preparatory steps to commercialise the Application Mark in respect of contact lenses as far back as 2013-2014.
- b. In any event, it was irrelevant who truly created the mark first because the issue is whether the Application Mark had been applied for in bad faith in Singapore and ordinarily speaking, trade mark rights accrue to the first to file in a country unless there is cogent and sufficient evidence that another party enjoys earlier rights in the mark in question. Subjectively speaking, the Applicant (and in particular its directors) did not know of the business carried on under the Opponent's Mark at the time the Application Mark was filed, let alone the fact that the Opponent had any customers or goodwill in this jurisdiction.
- c. Mr Alanazi and Mr Almutairi may have been at the same dinner event as Mr Mack and seated at the same table. But it did not follow that they spoke or discussed Mr Mack or Sky Optical's business activities under the Opponent's Mark. In any case, Mr Alanazi's evidence was that any discussion between them and Mr Mack was limited to the Opponent's business in Saudi Arabia and not Singapore.

The evidence

60 Earlier, in the context of the passing off ground, I made various findings of fact relating to the origins and the use of the Opponent's Mark. I now turn to Mr Alanazi's evidence.

61 As outlined in the introductory segment of this decision, Mr Alanazi's evidence was that the Applicant had used the Application Mark since 2014 in relation to contact lenses, primarily in the Gulf Cooperation Council region. According to Mr Alanazi, the word "lens" in the

¹⁰ Mack's First SD at [19] and Exhibit FM-18; Mack's Second SD at [14]

Application Mark was derived from “contact lenses” and “me” was a reference to the “Middle East”. In 2013, the Applicant engaged a South Korean company known as i-codi Co. Ltd, to produce contact lenses on its behalf, and in 2014 a Kuwaiti distributor known as Swiss Medical Services was appointed to distribute these contact lenses.¹¹ In support, Mr Alanazi provided a letter from i-codi Co. Ltd, signed by one Lee Sung Yoon, Vice President of the company on “11/01/2017” as well as a copy of a “Exclusive Commercial Agency Contract” between Golden Cala and Swiss Medical Services dated 6 September 2015 which contained a clause to the effect that the contract superseded all previous agreements in 2014.¹²

62 In response, Mr Mack attacked several aspects of the Applicant’s evidence. Mr Mack suggested that Mr Alanazi’s evidence was internally conflicting, inconsistent, or at least highly problematic. For instance, the Opponent pointed out that based on the Applicant’s own documents, Golden Cala was incorporated in September 2015 and therefore development of the Application Mark could not have taken place in 2013-2014. Mr Mack also argued that none of the invoices and sale records provided by the Applicant showed use of or sales under the Application Mark prior to 2016.

63 My difficulty with the Opponent’s arguments was that he did not apply to cross-examine Mr Alanazi. Consequently, the latter’s evidence was not challenged and tested in cross-examination. In such circumstances, the guidance laid down by precedent is that the Registrar is not obliged to accept a witness’ evidence if it is obviously incredible; however, if the evidence is not obviously incredible and no opportunity has been given to the witness to clarify, substantiate or respond to objections (e.g. through cross-examination), it may be inappropriate for the Registrar to make adverse factual findings against that deponent’s evidence. (See for e.g. *Fox Racing, Inc. v Fox Street Wear Pte Ltd* [2014] SGIPOS 13 at [47] and *Arjo Wiggins Fine Papers Limited v Transasia Fine Papers Pvt Ltd* [2016] SGIPOS 2.)

Evaluation

64 While it might be true that certain aspects of Mr Alanazi’s evidence provided more questions than answers, it was not obviously incredible. Nor was there sufficient reason for me to reject his account in the absence of cross-examination. The bottom line, really, was that it was not clear from the evidence that the Applicant had intentionally usurped or copied or sought to replicate the Opponent’s business. It was also not clear from the evidence who really started using “LENS ME” first. But perhaps most importantly, making a finding as to who-did-what-first did not matter much in the grand scheme of things for the ultimate question was whether there was enough evidence to sustain a finding of bad faith.

65 I also bear in mind the fact that the Applicant was in fact selling contact lenses bearing the Application Mark in the Gulf region. Many traders, at some point of time or another, eventually consider the possibility of expanding their business abroad. Even if the Applicant was indeed aware of what the Opponent was doing in the Gulf region (e.g. in Saudi Arabia or the UAE)—whether through the BeautyWorld dinner or otherwise—there was no evidence to suggest that the Applicant or its directors knew or had any reason to suspect that the Opponent had any customers, goodwill, or any other prior rights to speak of in respect of this country.

66 Since there was no evidence to suggest that the Applicant was aware that the Opponent had commercial interests in Singapore in connection with the Opponent’s Mark, there was

¹¹ Alanazi’s SD at [4] – [6] and Exhibits GAA-1 and GAA-2

¹² *Ibid*

nothing sinister or commercially unacceptable about it applying to register the Application Mark. Given this, I do not think that honest traders would consider what the Applicant did to be commercially unacceptable. I therefore find that there was insufficient evidence of bad faith and inadequate reason to justify drawing such an inference in the circumstances.

Conclusion: s 7(6) TMA

67 For the reasons above, I find that the ground of opposition under s 7(6) TMA has not been sufficiently established.

Observations relating to foreign decisions

68 In the course of the dispute, the Opponent sought to rely on decisions from foreign jurisdictions. Reliance was placed, in particular, on the parallel dispute in the UK and the decision of the hearing officer (see *Trade Mark Inter Partes Decision O/300/19* dated 31 May 2019). Very briefly, in that case, the hearing officer had refused registration of the UK equivalent of the Application Mark on the basis of, among other things, the passing off ground. (The bad faith ground of opposition was initially pleaded but not pursued.) An appeal was filed to the Appointed Person, but for various reasons the case remains pending. The Applicant very sensibly pointed out that the decision of the hearing officer in the UK is in any case of limited relevance because goodwill is ultimately a fact specific enquiry and a finding of goodwill in that jurisdiction has no bearing on the assessment of goodwill here. I agree and all that needs to be said is that I have given due consideration to the material that has been put before me.

Overall conclusion

69 The opposition is allowed under s 8(7)(a) TMA but not s 7(6) TMA. Consequently, the application to register the Application Mark (TM No. 40201715235Y) is refused. In light of the fact that the opposition based on bad faith did not succeed, I award the Opponent 75% of its costs.

Date of Issue: 2 April 2020