

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

[2022] SGIPOS 6

Trade Mark No. 40201910153U

IN THE MATTER OF A TRADE MARK APPLICATION BY

HIJOS DE RIVERA, S.A.

... Applicant

AND OPPOSITION THERETO BY

SOCIEDAD ANONIMA DAMM

... Opponent

GROUND OF DECISION

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Sociedad Anonima Damm

v

Hijos De Rivera, S.A.

[2022] SGIPOS 6

Trade Mark No. 40201910153U

IP Adjudicator Sheik Umar bin Mohamed Bagushair

15 December 2021

15 March 2022

IP Adjudicator Sheik Umar bin Mohamed Bagushair:

Introduction

1 The Applicant, Hijos de Rivera, S.A. (the “Applicant”), and the Opponent, Sociedad Anonima Damm (the “Opponent”), are beer manufacturers from Spain. The Applicant is known for its beer “ESTRELLA GALICIA” while the Opponent is known for its beer “ESTRELLA DAMM”. The parties have co-existed for many years not only in Spain but in many countries in Europe and in the United Kingdom. As the parties expanded outside of the jurisdictions where they co-existed, they have been opposing the registration of each other’s mark. The Opponent had registered its word mark “ESTRELLA DAMM” in 2011 in Singapore and had been selling “ESTRELLA DAMM” beer in Singapore shortly after. The Applicant entered the Singapore market not long after but only applied to protect its composite mark for “ESTRELLA GALICIA” in 2019. The Opponent opposed the registration.

Procedural history

2 The Applicant applied to protect the trade mark



(the

“Application Mark”) in Singapore on 24 April 2019 under International Registration No. 1166479 (Singapore Trade Mark No. 40201910153U) in Class 32 in respect of “Beer”.

3 The application was accepted and published on 23 August 2019 for opposition. The Opponent filed its Notice of Opposition to oppose the registration of the Application Mark on 17 October 2019. The Applicant filed its Counter-Statement on 24 February 2020.

4 The Opponent filed its evidence in support of the opposition on 24 September 2020. The Applicant filed its evidence in support of the application on 1 April 2021. The Opponent filed its evidence in reply on 2 August 2021. Following the close of evidence, a pre-hearing review was held on 1 September 2021. The opposition was heard on 15 December 2021.

Grounds of opposition

5 The Opponent relies on Section 8(2)(b), Section 8(4)(b)(i) and Section 8(7)(a) of the Trade Marks Act 1998 (the “Act”) in this opposition. The Opponent pleaded Section 8(4)(b)(ii) of the Act but confirmed, at the pre-hearing review, that it would no longer pursue that ground of opposition.

Opponent’s evidence

6 The Opponent’s evidence is set out in two statutory declarations made on 26 June 2020 and 22 July 2021 by Mr Ignacio Costa Garcia, the Opponent’s Director of the Legal Department.

Applicant's evidence

7 The Applicant's evidence is set out in a statutory declaration made on 8 March 2021 by Mr José Cabanas Muinos, the Applicant's Chief Marketing Officer.

Applicable law and burden of proof

8 The applicable law is the Act. There is no overall onus on the Applicant before the Registrar during examination or in opposition proceedings. The undisputed burden of proof in the present case falls on the Opponent.

Background

The Applicant

9 The Applicant is an established Spanish beer manufacturer, founded in 1906. The Applicant sells beer under a number of brands, and one of its most successful brands is its flagship brand "ESTRELLA GALICIA". The Applicant has applied to register "ESTRELLA GALICIA" and its formative marks, variants and extensions (such as the Application Mark) throughout the world.

10 The Applicant's products are sold in at least 46 countries worldwide. The Applicant presently produces about 144 million litres a year of its different beer brands and has achieved worldwide sales revenue exceeding €530,906,937 in 2019.

11 The Applicant has been advertising, distributing and selling the Applicant's products bearing the Application Mark in Singapore since 2012, about one to two years after the Opponent's claimed first use in Singapore.

The Opponent

12 The Opponent was founded in 1876 in Barcelona, Spain, by August Kuentzmann Damm, as a brewery. Today, the Opponent is one of the top three Spanish brewers by production volume and offers more than twenty brands of beer. Over the years, the Opponent has expanded its offerings beyond beer, to mineral waters, soft drinks, coffees, teas, dairy drinks and tonic drinks. The Opponent currently owns two malting plants and 14 production and bottling plants located in various parts of the world, and the Opponent’s goods are available in more than 100 countries, including Singapore.

13 The Opponent’s “ESTRELLA DAMM” mark and its variants were first used in Singapore in 2010.

Co-existence and disputes in other jurisdictions

14 In some jurisdictions, there are pending opposition proceedings in relation to the “ESTRELLA GALICIA” and “ESTRELLA DAMM” marks. I have been informed of proceedings in Malaysia, Hong Kong, India and Philippines. Interestingly, depending on who entered the market and registered their mark first, the parties sometimes have had to deploy the very arguments that the other party is making in these proceedings. For example, in Hong Kong and Malaysia, the Applicant had registered its “ESTRELLA GALICIA” mark first and is opposing the registration of the Opponent’s “ESTRELLA DAMM” mark. Naturally, the Applicant argues that the Opponent’s registration should not be allowed because marks *are* confusingly similar, a position they do not take in these proceedings. Similarly, the Opponent in the Hong Kong and Malaysian proceedings take the position that the marks are *not* confusingly similar, a position they do not take in these proceedings. Although the parties have referred to these foreign proceedings, highlighting the inconsistency in the other

party's position, the reality is that, depending on whether the party is the applicant or the opponent, *both* parties have taken inconsistent positions. As such, I do not place much weight on the parties' positions taken in the foreign proceedings.

15 A somewhat interesting feature of this dispute is the fact that the parties' products containing the "ESTRELLA GALICIA" and "ESTRELLA DAMM" marks have co-existed in many markets outside Singapore for many years. The products of course co-exist in Spain where the parties were established. But they also co-exist in Europe and the United Kingdom, pursuant to a co-existence agreement. I was not provided a copy of this co-existence agreement and the parties' submissions do not focus on it. Nevertheless, it appears to me that the co-existence agreement could have been used as a model or template for the parties to co-exist in other jurisdictions as well. It is unfortunate that the parties have instead pursued litigation.

Ground of opposition under Section 8(2)(b)

16 Section 8(2)(b) of the Act reads:

(2) A trade mark shall not be registered if because —

...

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

there exists a likelihood of confusion on the part of the public.

17 The Opponent relies on the following mark (the "Opponent's Registered Mark") in this opposition for the ground under Section 8(2)(b).

Trade Mark No.	Registration Date	Class
T1114860B	21 October 2011	32
Mark		

ESTRELLA DAMM
Specification
Beers.

18 Further, the Opponent relies on the following marks (the “Opponent’s Marks”) in this opposition for the grounds under Sections 8(4)(b)(i) and 8(7)(a).

S/N	MARKS
1	ESTRELLA DAMM
2	
3	
4	

19 I should mention three points. First, only the first mark (the word mark “ESTRELLA DAMM”, *ie*, the Opponent’s Registered Mark) is registered in Singapore. The other three marks are unregistered (which for convenience I will refer to as the “Opponent’s Unregistered Marks”).

20 Second, in the Opponent's Grounds of Opposition, the Opponent *only* relied on the Opponent's Registered Mark for its opposition under Section 8(2)(b). However, in its written submissions and at the hearing before me, the Opponent departed from its pleadings and sought to rely on the Opponent's Registered Mark *and* the Opponent's Unregistered Marks (*ie*, the Opponent's Marks). At no point in time before the written submissions were filed, whether at the commencement of opposition, or at the pre-hearing review after evidence had closed, did the Opponent indicate that it would rely on the Opponent's Unregistered Marks for its opposition under Section 8(2)(b). If it had done so, the Opponent would have had to seek leave to amend its Grounds of Opposition. The Applicant would then be given an opportunity to make representations on the Opponent's application, and an opportunity to make consequential amendments to its Counter-Statement if leave for the former was granted. Other ancillary directions may have to be given as well. As it stands, none of this was done. I am unable to overlook the Opponent's departure from its pleadings, especially as it deprived the Applicant an opportunity to fully address the point in its evidence and its written submissions. As such, for the purposes of the Section 8(2)(b) opposition, I will be restricting my analysis to a comparison of the Application Mark with only the Opponent's Registered Mark, as pleaded by the Opponent.

21 Third, the Opponent in its Grounds of Opposition relied on a much longer list of unregistered marks in its opposition under Sections 8(4)(b)(i) and 8(7)(a). However, at the hearing before me, the Opponent confirmed that it was only relying on the three unregistered marks which I have reproduced above.

22 The relevant date in these opposition proceedings on which the parties' rights are to be assessed is the date of application of the Application Mark, *ie* 24 April 2019.

Applicable legal principles: Marks-similarity assessment

23 I do not believe parties dispute the general principles applicable when considering the similarity of marks. The applicable principles can be summarised as follows (see *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 at [40] (“*Hai Tong*”)):

(a) The thrust of the inquiry into similarity is directed at assessing substantive similarity. The three aspects of this evaluation, namely, visual, aural and conceptual similarities, aid the court’s evaluation by signposting its inquiry. They do not serve as a mechanistic formula of any sort. It follows that the law does not require all three similarities (visual, aural and conceptual) to be made out before the registered mark and the allegedly infringing mark may be found to be similar. Conversely, the fact that any one similarity is made out does not necessarily mandate a finding that the two marks are similar. Nor is each aspect of similarity of equal importance. Rather, the relative importance of each will depend on the circumstances, including the nature of the goods and the types of marks involved and a trade-off can be made between the three aspects of similarity.

(b) In assessing the similarity between two contesting marks, the court considers them “as a whole”, but does not take into account “any external added matter or circumstances” because the comparison is “mark for mark”.

(c) The viewpoint the court should assume is that of the average consumer who would exercise some care and a measure of good sense in making his or her purchases, not that of an unthinking person in a hurry.

(d) Furthermore, it is assumed that the average consumer has “imperfect recollection”. As such, the two contesting marks are not to be compared or assessed side by side and examined in detail for the sake of isolating particular points of difference. Instead, the court will consider the general impression that will likely be left by the essential or dominant features of the marks on the average consumer.

24 As the Application Mark is a composite mark, slightly different considerations come into play. I would have to bear in mind the following principles applicable when assessing the visual similarity of such marks (*Hai Tong* at [62]):

(a) When assessing two contesting marks or signs, the court does so with the “imperfect recollection” of the average consumer. The two marks or signs should not be compared side by side or examined in detail because the person who is confused often makes comparison from memory removed in time and space from the marks.

(b) The visual similarity of two contesting marks or signs must normally be assessed by reference to the overall impressions created by the marks or signs, bearing in mind their distinctive and dominant components. When the other components of a complex mark or sign are of negligible significance, it is permissible to make the comparison solely on the basis of any dominant element(s).

(c) The overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components.

(d) The textual component of a composite mark or sign could (but will not necessarily or always) be the dominant component of the mark or sign. Some instances where this might be the case include where:

(i) The two marks or signs in question each contain a similar device. The overall resemblance between them may then be diminished if they bear words which are entirely different from each other.

(ii) The textual component is large and is in a prominent location in relation to the other components or stands out from the background of the mark or sign.

(iii) The textual component is in itself already widely known.

(iv) The composite mark or sign is applied to goods or services marketed or sold primarily through online trade channels.

(e) The device component has been found to be an equally significant, if not the dominant, component of a composite mark or sign where:

(i) The device is significant and large.

(ii) The accompanying word(s) are devoid of any distinctive character or are purely descriptive of the device component or of similar goods of a superior quality.

(iii) The device component is of a complicated nature.

But usually not where:

(iv) The device is simple and will not evoke any particular concept for the average consumer.

(v) The device component does not attract the attention of the average consumer of the goods in question because such a consumer is regularly confronted with similar images in relation to those goods.

(vi) The device component is more likely to be perceived as a decorative element rather than as an element indicating commercial origin.

25 The Court of Appeal in *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc and another and another appeal* [2014] 1 SLR 911 (“*Staywell*”) emphasised that the marks-similarity analysis comprises a “step-by-step” approach. The court is required to systematically assess the similarity of marks, the similarity of goods or services, and then the likelihood of confusion arising from the two similarities. Only after the court has determined the presence of the first two elements individually can it then ascertain the likelihood of confusion.

26 Integrated into the analysis of visual, aural and conceptual similarity is a consideration of whether the earlier mark is distinctive (in both its technical and non-technical sense) (*Staywell* at [30]). In the non-technical sense, distinctiveness refers to “what is outstanding and memorable about the mark”. Such components tend to draw the average consumer’s attention and stand out in the average consumer’s imperfect recollection (*Staywell* at [23]).

27 In the technical sense, distinctiveness ordinarily refers to a mark’s inherent capacity (*ie*, relating to a mark’s fanciful or descriptive nature) or

acquired capacity (*ie*, based on the duration and nature of the use of the mark) to operate as a badge of origin (*Hai Tong* at [31] to [33]). A mark which has greater technical distinctiveness enjoys a high threshold before a competing sign will be considered dissimilar to it (*Staywell* at [25]).

28 The Court of Appeal in *Hai Tong* emphasised that ultimately the matter is one of “the general impression that will likely be left by the essential or dominant features of the marks on the average consumer.”

Mark-similarity assessment

Opponent’s arguments

29 The central thrust of the Opponent’s case is that the dominant and distinctive element in the Opponent’s Registered Mark is the word “ESTRELLA”, and that this should be taken into account when comparing it with the Application Mark. The Opponent first says that “ESTRELLA DAMM” is inherently distinctive. “ESTRELLA” is the Spanish word for star and “DAMM” is the name of Opponent’s founder, August Kuentzmann Damm. When used in relation to beer, “ESTRELLA DAMM” is arbitrary and inventive. Neither is it commonly used by other traders as a descriptor or generic term in relation to beer.

30 The Opponent submits that the Application Mark and the Opponent’s Registered Mark are aurally similar as the average consumer would likely remember and pronounce the first word, “ESTRELLA”. The beginnings of marks have more emphasis when pronounced (*Valentino Globe BV v Pacific Rim Industries Inc* [2009] 4 SLR(R) 477 at [34]) though there is no rigid principle that the first syllable of a word mark is more important (*The*

Polo/Lauren Co, LP v Shop In Department Store Pte Ltd [2006] SLR(R) 690 at [23]).

31 On the issue of visual similarity, the Opponent submits that the word “ESTRELLA” is the more prominent and distinctive feature of the Application Mark. There are several reasons for this. First, the word “ESTRELLA” is a Spanish word meaning “star”, an arbitrary and/or inventive term when used in relation to beer. The meaning of the word “ESTRELLA” would also not be immediately understood in Singapore by the average consumer as Spanish is a foreign language which the average consumer in Singapore would not be familiar with.

32 Second, since the textual component of the Application Mark and the Opponent’s Registered Mark is not in the English language, the average consumer in Singapore would place higher reliance on the first word “ESTRELLA” appearing in the respective competing marks and assume that the second word “DAMM” and “GALICIA” in the respective marks are used to denote different lines of goods under the house brand “ESTRELLA”.

33 As both the Opponent’s Registered Mark and the Application Mark share the same dominant and distinctive element “ESTRELLA”, the marks are visually similar. The border design and star device used in the Application Mark do not detract from the similarity of the marks as they are simplistic features and are of relatively low or negligible distinctive character.

34 On the issue of conceptual similarity, the Opponent says the marks are conceptually similar. The Opponent reiterates that the word “ESTRELLA” is the dominant and distinctive element in the Application Mark and the Opponent’s Registered Mark, and that the words in the marks consist of Spanish

words that the average consumer or trader in Singapore would not understand. As such the average consumer or trader would be focused on the word “ESTRELLA” and any “conceptual appraisal” would be “focussed [sic] on the word “ESTRELLA”...[and so] there is a high degree of similarity in the conceptual aspect of both competing marks...”

Applicant’s arguments

35 The Applicant acknowledges that the Opponent’s Registered Mark is inherently distinctive, but its distinctive character lies in the combination of the words “ESTRELLA” and “DAMM” and the mark as a whole. The Applicant disagrees that the word “ESTRELLA”, which is the common denominator between the Application Mark and the Opponent’s Registered Mark, is so dominant as to render the differing elements, namely “GALICIA” and the device components in the Application Mark and “DAMM” in the Opponent’s Registered Mark, ineffective in obscuring the similarity between the competing marks.

36 In respect of the Application Mark, the Applicant says that the textual and device components are visually dominant, with the textual component (“ESTRELLA GALICIA”) slightly more dominant. The accompanying device, comprising of a wide oval black background, a solid red vertical bar at the bottom of the oval, and a six-point star at the top of the mark, all enclosed by a border design, plays a distinctive role within the mark.

37 The textual element of the Application Mark consists of meaningless words and they say nothing about the goods on which they are used and as such they are inherently distinctive. The same could be said for the Opponent’s Registered Mark as well.

38 Consequently, the Applicant says that the Application Mark is visually dissimilar to the Opponent's Registered Mark. This is because:

(a) In the Application Mark, the word "ESTRELLA" is followed by the word "GALICIA", and in the Opponent's Registered Mark the word "ESTRELLA" is followed by the word "DAMM". "GALICIA" and "DAMM" are very visually different words, being of different lengths, and having different starting and ending letters.

(b) The Application Mark is a composite mark which also contains a black oval background with a solid red vertical bar at the bottom, enclosed by a border design, as well as a 6-pointed star device, drawn with 3D depth with two contrasting colours in each point of the star and enclosed by two concentric circles. The fact that such visually striking elements are not present in the Opponent's Registered Mark would make the two marks visually dissimilar.

39 On the issue of aural similarity, the Applicant submits that the Application Mark and the Opponent's Registered Mark are aurally dissimilar. Whilst "ESTRELLA" is the common denominator in both marks, there is no basis to conclude that it is the dominant component for both marks, especially since the other textual components (*ie*, "GALICIA" and "DAMM") are both foreign words. There is no basis to believe the average consumer or trader would give greater weight to "ESTRELLA" and less weight to "DAMM" or "GALICIA". Consequently, all textual elements, namely "ESTRELLA" and "GALICIA" for the Application Mark and "ESTRELLA" and "DAMM" for the Opponent's Registered Mark would be equally dominant. Considered in that way, the Application Mark and the Opponent's Registered Mark are aurally dissimilar.

40 On the issue of conceptual similarity, the marks are dissimilar. This is because the textual elements, namely the words “ESTRELLA”, “DAMM” and “GALICIA” are Spanish words which would not be readily understood by most Singaporeans. Since they would be perceived to be invented and meaningless words with no particular idea underlying them, they cannot be conceptually similar.

Analysis

41 I am in broad agreement with the Applicant’s arguments on the lack of similarity between the Application Mark and the Opponent’s Registered Mark. I do not agree that the word “ESTRELLA” is the dominant and distinctive element in the marks. I find that the Application Mark and the Opponent’s Registered Mark are visually dissimilar, aurally dissimilar and conceptually not similar.

42 I first find that the word “ESTRELLA” is not the dominant component in either the Opponent’s Registered Mark or the Application Mark.

43 First, the Opponent’s Registered Mark is a word mark, consisting of two words, “ESTRELLA” and “DAMM”. They are both Spanish words which would not be readily understood by most Singaporeans. They would both be perceived to be invented and meaningless words, in the context of beer. Consequently, it appears to me that the average consumer would view “ESTRELLA” and “DAMM” together as a whole, and not simply focus on “ESTRELLA” or “DAMM”. As such, both “ESTRELLA” and “DAMM” would be equally dominant.

44 The Opponent argued that “ESTRELLA” is the dominant component in the Opponent’s Registered Mark but failed to explain why “DAMM” should be

ignored or is not at the very least equally dominant with “ESTRELLA”. The Opponent suggests that someone pronouncing the Opponent’s Registered Mark “would likely remember and pronounce only the most prominent first eight-letter, three-syllable word in the competing marks, namely “ESTRELLA””, but no support has been provided in aid of such a proposition. I would have expected the Opponent to point me to at least consumer surveys or studies. A relevant legal authority dealing with a similar fact situation would have also been helpful. But none was provided. Without a proper evidential or legal basis, I am unable to agree that an average consumer is likely to remember or pronounce only the first word of a two-word mark which consists of foreign words. In fact, there are many examples to the contrary. Consumers do not refer to the brand “Louis Vuitton” as “Louis”; they do not refer to the brand “Salvatore Ferragamo” as “Salvatore”; and they do not refer to the brand “Christian Dior” as “Christian”. While these are very large well known brands, and perhaps are not directly analogous to the Opponent’s brands, ultimately, I simply could not accept, without some evidential or legal support, the Opponent’s proposition that an average consumer would have likely remembered the first word in the Opponent’s Registered Mark (“ESTRELLA”) and ignored or given less weight to the other word (“DAMM”).

45 Second, my review of the Opponent’s evidence when it comes to the branding of its products strongly suggests that it had never focused on the word “ESTRELLA” but instead has used “DAMM” as the marker for many of its products. For example:

- (a) Many of its alcohol brands contain the word “DAMM” rather than “ESTRELLA”. They include “Inedit Damm”, “Daura Damm”, “Voll-Damm”, “Free Damm”, “A.K. Damm”, “Bok-Damm” and “Damm Lemon”. I acknowledge that the Opponent has two other brands

with the word “ESTRELLA” in it, namely “Estrella Levante” and “Estrella del Sur”. But overall, it is clear that at least from the Opponent’s point of view, “DAMM” was a strong marker used to distinguish its brands.

(b) The Opponent’s invoices to its Singapore distributors and buyers have a large and prominent “DAMM” logo at the top of the invoices. Its annual report refers to itself simply as “DAMM”. Whilst this is perhaps a reference to the Opponent’s name (shortened to SA Damm or simply Damm), the point is that the “DAMM” name is an important part of the Opponent’s identity.

46 In my view, the Opponent’s use of “DAMM” in many of its other alcohol brands and also in its branding material shows that “DAMM” is an important part of the Opponent’s identity and is often used as a marker to distinguish its products. While that does not necessarily mean that the word “DAMM” in the Opponent’s Registered Mark is the dominant element, at the very least, “DAMM” must be equally dominant with “ESTRELLA”.

47 Third, “ESTRELLA” is also not the dominant element in the Application Mark. “GALICIA” is also a foreign word, and though it refers to a place in Spain, I do not think the place would be well known to the average consumer in Singapore. Both “ESTRELLA” and “GALICIA” would be equally perceived by the average consumer as meaningless words, in the context of beer.

48 The legal authorities referred to me suggest that I would have to view “ESTRELLA GALICIA” as a whole, without any one word being more dominant than the other. In *Monster Energy Company v Glamco Co, Ltd* [2021] 3 SLR 319, the High Court at [58] stated that:



...both of the words in the Application Mark, “SWEET” and “MONSTER”, are equally prominent and there is hence no dominant element per se. First, both words appear in the same font without any stylisation. Second, both words are of fairly similar length in terms of the number of letters. The effect of this is that consumers would likely view the Application Mark as a unitary whole rather than just focus on one part of it.

49 In *Clarins Fragrance Group f.k.a Thierry Mugler Parfums SAS v BenQ Materials Corp* [2018] SGIPOS 2, where the compared marks were ^{derma}Angel and “ANGEL”, the Hearing Officer stated at [60] and [67] that:

““derma”, which appears at the beginning of the Application Mark, occupies almost the same amount of visual space as “Angel”. This can be attributed to the fact that their font sizes are similar, and also that each is 5 letters long...that “for the elements “derma” and “Angel” ... [e]ach element occupies weight in the whole and I cannot simply focus on any one element to the exclusion of the others”.

50 Similarly, the words “ESTRELLA” and “GALICIA” in the Application Mark appear in the same font, are of fairly similar length, have the same number of syllables, and occupy almost the same visual space in the Application Mark. Therefore, the words “ESTRELLA” and “GALICIA” are equally dominant.

51 The Application Mark also contains a device component, comprising a black oval background, a solid red vertical bar at the bottom of the oval, and a six-point star at the top of the mark, all enclosed by a border design. The Applicant argues that the textual component is slightly more dominant than the device component, and referred me to the following passage from *Valentino S.p.A. v Matsuda & Co* [2020] SGIPOS 8 where, in assessing visual similarity

of the marks  and , the Hearing Officer considered the impact of the device component and held at [25] and [26] that:

Also, where a composite mark is comprised of words and a device, unless one or the other is clearly larger, it is difficult to

conclude that there is a dominant visual element at all: the trade mark should instead be viewed as a whole without reference to a particular dominant element. I have decided that is the case here: the word 'VALENTINO' is not visually the dominant element in either the Application Mark or the Opponent's Composite Mark. In coming to this conclusion, I have considered also that where, due to the signature-style in which the words are rendered, the average consumer (who is reasonably observant) would view a trade mark as (or including) a person's given and family name, i.e. 'Valentino Rudy', it is unrealistic to view either as being visually dominant on its own, especially the first name, without evidence of acquired distinctiveness after registration, which as I have noted already it is not open to me to consider at this stage. By way of examples only, from the fashion world I would cite ALEXANDER MCQUEEN, GUCCIO GUCCI, JEAN-PAUL GAULTIER, KARL LAGERFELD, CHRISTIAN LOUBOUTIN as trade marks in which the visually dominant element is self-evidently not the first word.

Therefore, the average consumer would view the dominant element of the Application Mark as 'Valentino Rudy' written in cursive script; in the Opponent's Composite Mark the dominant element would be viewed to be 'valentino garavani' written in lower case letters. However, both the Application Mark and the Opponent's Composite Mark also incorporate a device that, whilst not dominant, does contribute significantly to the overall impression of each and cannot be ignored in deciding whether the average consumer would view the two as more similar than dissimilar. Whilst both devices feature the letter 'V', they are clearly very different. Although in its Written Submissions the Opponent argued that the square box in which the 'V' is contained in the Application Mark does not add to the distinctiveness of the Application Mark (at [4.09]) and counsel for the Opponent contended at the hearing that the average consumer would not notice it, I am unable to accept either of these contentions: in both the Application Mark and the Opponent's Composite Mark the device element contributes to the overall visual impression to a material degree."

52 I agree with the Applicant's position, that the textual component is slightly more dominant than the device component. This is because the textual component is large, prominent and stands out from the background of the mark. In contrast, the device component is not as dominant or distinctive because although there are a number of different components to the device (*ie*, the black oval background, a solid red vertical bar at the bottom of the oval, a six-point

star at the top of the mark and the border design), I consider that only the six-point star device and the border design could possibly have a distinctive character, though their distinctiveness is low. The Opponent argued that the star device is commonly used in trade marks and packaging for beers and so cannot be distinctive. However, the star device used elsewhere is a five-point star, which is different from the six-point star device used in the Application Mark. The design of the six-point star device is also more complicated than the usual star design used elsewhere. These differences made the six-point star device distinctive. I thought the border design was also somewhat complicated, thereby making it somewhat distinctive. The other textual components, such as the black oval background and the solid red vertical bar at the bottom of the oval, appear to be relatively simple (compared to the star design and the border design) and hence do not appear to be of strong distinctive character. Even if I was wrong on this, and *all* of the device components play a distinctive role, it cannot be disputed that the textual component still takes up most of the space in the Application Mark so that the textual component is more dominant than the device component.

53 Moving to visual similarity, I am of the view that the Application Mark is dissimilar to the Opponent's Registered Mark. While the word "ESTRELLA" is common to both marks, I have found that "ESTRELLA" is not the dominant component in both marks. In any event, the common element "ESTRELLA" is not so dominant as to render the different elements ineffective to obscure the similarity between the marks. I say this for the following reasons:

- (a) In the Application Mark, the word "ESTRELLA" is followed by the word "GALICIA", and in the Opponent's Registered Mark the word "ESTRELLA" is followed by the word "DAMM". "GALICIA" and

“DAMM” are visually very different words, being of different lengths, and having different starting and ending letters.

(b) The Application Mark is a composite mark which also contains a black oval background with a solid red vertical bar at the bottom, enclosed by a border design, as well as a six-pointed star device, drawn with 3D depth with two contrasting colours in each point of the star and enclosed by two concentric circles. Although I consider that only the six-pointed star device and the border design are distinctive (see above at [52]), I acknowledge that all the elements taken together are visually striking. The visually striking elements are absent in the Opponent’s Registered Mark, which is a word mark.

54 The Opponent referred me to *Doctor’s Associate Inc v Lim Eng Wah (trading as SUBWAY NICHE)* [2013] 3 SLR 193 (“*Subway Niche*”) to support its position that the marks were visually similar. In that case, after comparing the competing marks “SUBWAY” and “SUBWAY NICHE”, the High Court held that the addition of the word “NICHE” did not offset the similarity between the marks. However, this case can be distinguished because the High Court held that the “SUBWAY” mark was highly distinctive, and its distinctiveness had been acquired through use. The High Court found that the use of the “SUBWAY” mark was very widespread (with 92 SUBWAY stores in Singapore) and long-standing (since 1996) and significant sums had been spent to promote the “SUBWAY” mark and that a large proportion of Singaporeans were capable of identifying the mark. In contrast, there is no evidence that “ESTRELLA” has acquired any distinctiveness separate from the inherent distinctiveness attributable to “ESTRELLA DAMM”. Unlike “SUBWAY” which acquired distinctiveness through use, there is no evidence before me that

“ESTRELLA” has gained the capacity to act as a badge of origin through long-standing or widespread use.

55 As for aural similarity, the relevant principles were recently summarised by the High Court in *Dr August Wolff GmbH & Co KG Arzneimittel v Combe International Ltd* [2021] 4 SLR 626 (“*Combe*”) as follows (at [39] to [40]):

(a) There are two approaches for assessing aural similarity. The first is the “Dominant Approach” which requires identification of the dominant component of the marks, and the second is the “Quantitative Approach” which requires a quantitative assessment as to whether the competing marks have more syllables in common than not.

(b) When choosing the proper approach to apply, the Dominant Approach would be more suitable for marks containing multiple components, particularly where the components on their face differ significantly in their distinctive character.

56 It appears to me that whether applying the Dominant Approach or the Quantitative Approach, the Application Mark and the Opponent’s Registered Mark are aurally dissimilar.

57 Applying the Dominant Approach, I would first have to determine the dominant components of the marks. I have found that each of the textual elements in the Application Mark, “ESTRELLA” and “GALICIA”, is equally dominant (the device elements can be ignored since they would not be pronounced). Similarly, I have also found that each of the element in the Opponent’s Registered Mark, “ESTRELLA” and “DAMM” is equally dominant.

58 The Applicant referred to me several authorities, but I thought the most useful authority was *N.V. Sumatra Tobacco Trading Company v British American Tobacco (Brands) Inc* [2008] SGIPOS 2. In that case, the competing marks were “Lucky Draw” and “Lucky Strike”. In holding that the marks were aurally dissimilar, the Hearing Officer stated at [38] to [40] that:

The Opponents’ mark Lucky Strike and the Applicants’ mark Lucky Draw comprise two words and both start with the same word Lucky. It may be argued that half of the Applicants’ and Opponents’ marks are identical, aurally and visually, but that is not the way marks should be compared. They should be compared as wholes. Comparing the marks as wholes, I do not think that when the Applicants’ and Opponents’ marks are pronounced, the latter parts of the marks would be lost in communication as they are distinct words. The marks Lucky Strike and Lucky Draw are not as similar as the marks Teleflower, Teleflorist and Teleflora which were found to be confusingly similar in the case submitted by the Opponents.

...

The second elements of the mark Lucky Strike and Lucky Draw may be of almost equal length and monosyllabic but they are wholly different words. I have taken into account the principle enunciated in the *Aristoc v Rysta* case, that:

“Little assistance ... is to be obtained from a meticulous comparison of the two words, letter by letter and syllable by syllable, pronounced with the clarity to be expected from a teacher of elocution. The court must be careful to make allowance for imperfect recollection and the effect of careless pronunciation and speech on the part not only of the person seeking to buy ... but also of the shop assistant...”.

I am of the view that the marks are aurally more dissimilar than similar, taking into account the effect of careless pronunciation and speech on the part of the customer seeking the Applicants’ and Opponents’ cigarettes and the shop assistant assisting the customer. The marks Lucky Strike and Lucky Draw are not the type of marks where the endings are likely to be swallowed or slurred. The whole of the two marks are likely to be pronounced when a person is asking for the respective cigarettes.

59 “DAMM” and “GALICIA” are not difficult to pronounce in the local context. There is no reason why either word would not be enunciated in speech

by the average consumer when referring to the compared marks or be attributed less weight than the other. “DAMM” and “GALICIA” do not share a single common syllable and are aurally distinguishable.

60 The Opponent relies on the “first syllable” principle, which provides that the first syllable of a word is typically accepted to be the most important and argued that since the marks had the same first three syllables, the marks are aurally similar. I do not think that principle is applicable here. As the High Court explained in *Subway Niche* at [35], the “first syllable” principle appears to only be applicable to cases where the marks comprise one word. In any event, the “first syllable” principle should not be applied in a blanket fashion.

61 Therefore, applying the Dominant Approach, the marks are aurally dissimilar. Even applying the Quantitative Approach, the marks are aurally dissimilar. The Application Mark will be read as two three-syllable words, “ES-TRE-LLA GA-LI-CIA”, while the Opponent’s Mark will be read as a three-syllable word and a single-syllable word “ES-TRE-LLA DAMM”. The compared marks do not have more syllables in common than not and are therefore not aurally similar.

62 Finally, conceptual similarity is directed at the ideas that lie behind or inform the marks or sign in question (*Hai Tong* at [70]). The Opponent had originally argued that since “ESTRELLA” is the Spanish word for “star”, the Application Mark and the Opponent’s Registered Mark are conceptually similar. This particular argument appears to have been abandoned in submissions. However, I have some difficulty understanding the Opponent’s present argument on conceptual similarity. The argument was pitched as follows:

As such, due to any conceptual appraisal being focussed [sic] on the word “ESTRELLA” of the competing marks, we submit that there is high degree of similarity in the conceptual aspect of both competing marks as the “ESTRELLA” word component (i.e., the particularly prominent component of the competing marks from a conceptual appraisal standpoint) it [sic] is arbitrary and/or inventive when used in relation to the Relevant Goods and is therefore distinctive

63 As I understand it, because the word “ESTRELLA”, which is the common denominator in both marks, is arbitrary or inventive when used for beer, the marks are therefore conceptually similar. I do not believe such an argument is supported by authority. On the contrary, the fact that the word “ESTRELLA” is arbitrary or inventive when it comes to beer suggests that there is *no* idea behind the marks in question and therefore the marks cannot be conceptually similar.

64 I preferred the Applicant’s arguments on conceptual similarity, which are two-fold. First, the Applicant disputes that the idea behind the word “ESTRELLA” is “star”. This is because where foreign words are involved, there is no law or established practice in Singapore, in the context of trade mark examination, opposition or post-registration challenge, that marks in a non-English language are automatically, necessarily translated into English for their meaning. Rather, the inquiry is focused on whether its meaning will be understood in Singapore by the average consumer (*Aalst Chocolate Pte Ltd v The Patisserie LLP* [2019] SGIPOS 7 at [42] to [43]). Given that Spanish is not a commonly spoken or understood language in Singapore, the average consumer would not understand “ESTRELLA” as having the meaning “star”.

65 Second, the Applicant referred me to *Sarika Connoisseur Cafe Pte Ltd v Ferrero SpA* [2013] 1 SLR 531 where it was held at [34] that “since the words “Nutello” and “Nutella” are invented and meaningless with no particular idea

underlying each of them (and nothing has been shown in that regard) it is difficult to say that they are conceptually similar.” Applying this principle, since “ESTRELLA GALICIA” and “ESTRELLA DAMM” are perceived to be invented and meaningless words by the public, they cannot be said to be conceptually similar.

66 The Applicant also points out that the minority Spanish-speaking public in Singapore would be even more unlikely to confuse the two marks, as the differing latter words “GALICIA” and “DAMM” would serve as a basis of differentiation. While they may find conceptual similarity in “ESTRELLA”, they are likely to recognise “GALICIA” as a region in Spain but would not readily recognise “DAMM” as Spanish related and are likely to perceive it as either a German word or an invented and meaningless word. Thus, no conceptual similarity can be perceived from the second word in the marks.

Conclusion on mark-similarity assessment

67 I have found that the Application Mark and the Opponent’s Registered Mark are visually dissimilar, aurally dissimilar and not conceptually similar.

Conclusion on opposition under Section 8(2)(b)

68 Since the similarity of competing marks is a threshold requirement that had to be satisfied before the confusion inquiry is undertaken (*Staywell* at [15]), my finding that the Application Mark and the Opponent’s Registered Mark are dissimilar disposes of the opposition under Section 8(2)(b). This ground of opposition therefore fails.

Ground of opposition under Section 8(4)

69 Section 8(4) of the Act reads:

(4) Subject to subsection (5), where an application for registration of a trade mark is made on or after 1st July 2004, if the whole or an essential part of the trade mark is identical with or similar to an earlier trade mark, the later trade mark shall not be registered if —

- (a) the earlier trade mark is well known in Singapore; and
- (b) use of the later trade mark in relation to the goods or services for which the later trade mark is sought to be registered —
 - (i) would indicate a connection between those goods or services and the proprietor of the earlier trade mark, and is likely to damage the interests of the proprietor of the earlier trade mark; or
 - (ii) if the earlier trade mark is well known to the public at large in Singapore —
 - (A) would cause dilution in an unfair manner of the distinctive character of the earlier trade mark; or
 - (B) would take unfair advantage of the distinctive character of the earlier trade mark.

70 Section 2(7) of the Act is also relevant as it set out the matters that are relevant in determining whether a mark is well known:

(7) Subject to subsection (8), in deciding, for the purposes of this Act, whether a trade mark is well known in Singapore, it shall be relevant to take into account any matter from which it may be inferred that the trade mark is well known, including such of the following matters as may be relevant:

- (a) the degree to which the trade mark is known to or recognised by any relevant sector of the public in Singapore;
- (b) the duration, extent and geographical area of —
 - (i) any use of the trade mark; or
 - (ii) any promotion of the trade mark, including any advertising of, any publicity given to, or any

presentation at any fair or exhibition of, the goods or services to which the trade mark is applied;

- (c) any registration or application for the registration of the trade mark in any country or territory in which the trade mark is used or recognised, and the duration of such registration or application;
- (d) any successful enforcement of any right in the trade mark in any country or territory, and the extent to which the trade mark was recognised as well known by the competent authorities of that country or territory;
- (e) any value associated with the trade mark.

71 In determining to whom a trade mark must be well known before it deserves protection as a well known mark, Sections 2(8) and 2(9) of the Act are relevant:

(8) Where it is determined that a trade mark is well known to any relevant sector of the public in Singapore, the trade mark is deemed to be well known in Singapore.

(9) In subsections (7) and (8), “relevant sector of the public in Singapore” includes any of the following:

- (a) all actual consumers and potential consumers in Singapore of the goods or services to which the trade mark is applied;
- (b) all persons in Singapore involved in the distribution of the goods or services to which the trade mark is applied;
- (c) all businesses and companies in Singapore dealing in the goods or services to which the trade mark is applied.

Opponent’s arguments

72 The Opponent argues that the relevant sector of the public would be the actual and potential traders, distributors and consumers in respect of the beer beverage industry in Singapore which have used and / or distributed the Opponent’s products, and this need not be the public at large.

73 The Opponent says that Opponent’s Marks are well known to this relevant sector of the public, for the following reasons:

(a) Since the launch of the “ESTRELLA DAMM” brand in 1876, the Opponent’s Marks have been used continuously and extensively.

(b) The Opponent has invested heavily in marketing and promotion of the Opponent’s Marks. For example, to promote the Opponent’s Marks, the Opponent engaged Mr Peter Dinklage, the popular Game of Thrones actor, to star in a 16-minute short film, “La Vida Nuestra (Our Life)” in 2018. The short film has been viewed more than 15 million times to date. Another example is the over 25 years of continuous sponsorship of the FC Barcelona football club, which led to the club naming “ESTRELLA DAMM” as the official beer of the club.

(c) “ESTRELLA DAMM” is known as “the beer of Barcelona” and is served in the world’s top restaurants, as observed in an article from Talking Retail dated 23 July 2018.

(d) According to a list in 2019 ranking the world’s best 50 beers, “ESTRELLA DAMM” is the most valuable beer in Spain and ranks 36th on the list.

(e) The products bearing the Opponent’s Marks have been distributed extensively and are widely used in Singapore. The annual sales volumes from 2010 to 2018, set out below, are as follows:

Year	Volume of sales (litres)
2010	1,300
2011	9,000
2012	8,500
2013	22,900

2014	18,600
2015	15,900
2016	38,600
2017	21,400
2018	31,000

- (f) The Opponent's Marks have been used in Singapore since 2011.
- (g) The Opponent's Marks have been registered in many jurisdictions around the world.
- (h) The Opponent has endeavoured to protect its rights in the Opponent's Marks, as exemplified by its successful opposition actions against the Application Mark in Canada and Israel.

Applicant's arguments

74 The Applicant's position on the relevant sector of the public is the same as the Opponent – *ie*, the relevant sector of the public in Singapore is the actual and potential consumers of the goods covered under the Application Mark, the persons involved in the distribution of such goods, and the businesses and companies in Singapore dealing with such goods.

75 The Applicant disputes that the Opponent's Marks were well known:

- (a) There is no evidence that the Opponent's Registered Mark, "ESTRELLA DAMM" (*ie*, the word mark) has been used on its own. None of the evidence produced by the Opponent shows the Opponent's Registered Mark being used on its own. Rather, the evidence shows that "ESTRELLA DAMM" is always used as part of a composite mark (*ie*, the Opponent's Unregistered Marks). As such, the Opponent's

Registered Mark cannot be said to be well known since there is a lack of evidence of use of the mark on its own.

(b) As for the Opponent's Unregistered Marks, the evidence to show their use is plainly insufficient. For example, in respect of the advertisements, it is unclear where and for how long the advertisements were displayed.

(c) The volume of the Opponent's sales of products bearing the Opponent's Marks in Singapore is low.

(d) The Opponent has failed to show how overseas registrations of the Opponent's Marks and successful enforcement of its rights under the Opponent's Marks overseas had led to the marks being well known in Singapore. The Opponent has also failed to show how its marketing efforts outside Singapore had led to its marks being well known in Singapore.

(e) The Opponent has also failed to show how its marketing efforts overseas had resulted in its marks being well known in Singapore.

Analysis

76 I broadly agree with the Applicant's arguments.

77 Whilst I acknowledge that the Opponent had invested heavily in marketing its products outside Singapore, the issue is the impact of such marketing efforts in Singapore and whether that had led to its marks being well known. Respectfully, it is not enough to point to a short film which it created with Mr Dinklage that had garnered 15 million views, without breaking down how much of those views came from Singapore. Similar, I do not think it is

sufficient to simply point to its sponsorship of FC Barcelona, without providing some information about the extent of the popularity of the club in Singapore.

78 The overseas registrations of the Opponent’s Marks and successful enforcement of its rights overseas, on their own, are not sufficient to establish that the marks are well known in Singapore. The Opponent has to show how these actions had led to its marks being well known in Singapore (*Ceramiche Caesar SpA v Caesarstone Sdot-Yam Ltd* [2017] 2 SLR 308 at [113]).

79 The ranking of the “ESTRELLA DAMM” beer in the world’s best 50 beers, its reference as “the beer of Barcelona”, and that it is served in the world’s top restaurants, also tell us nothing about whether the Opponent’s Marks are well known *in Singapore*.

80 Moving to the actual sales and distribution of “ESTRELLA DAMM” products in Singapore, the evidence shows that sales are very low and that distribution is severely limited. The Opponent provided yearly sales of “ESTRELLA DAMM” products from 2010 to 2018 but did not otherwise provide the volume of beer sold in Singapore annually. I found this omission surprising. However, it appears to me that this may have been intentional because when compared to the volume of beer sold annually in Singapore, the volume of “ESTRELLA DAMM” beer the Opponent sells in Singapore is *miniscule*. This is incongruous with its claim that the Opponent’s Marks are well known in Singapore.

81 Publicly available information suggests that the annual beer consumption in Singapore over the past few years has been approximately 20 litres per capita. Assuming for ease of calculation that Singapore’s population is 5 million, the volume of beer sold annually is in the range of 100 million litres

a year. The Opponent's highest sales during the period of 2010 to 2018 was in 2015 when it sold 38,600 litres. This represents 0.0386% of the total volume of beer sold annually in Singapore, a very low amount. Whilst low sales do not necessarily equate to a lack of awareness of the brand by the public, especially when the brand or its products are niche or are marketed as luxury goods, there is no evidence before me that "ESTRELLA DAMM" beer is a niche or luxury product commanding a high price and selective clientele. On the contrary, the evidence suggests that it competes with mass market beer brands like Heineken, Tiger and Carlsberg. In my view, it is difficult to conclude that the Opponent's Marks are well known in Singapore when its annual sales do not even reach 0.1% of the volume of beer sold annually in Singapore.

82 The extent of the distribution of the products bearing the Opponent's Marks is also severely limited. They are not sold in major supermarkets like NTUC Fairprice, Cold Storage, Giant or Sheng Siong. They are not sold in food courts or food centres. The Opponent has provided some evidence of where its products are sold in Singapore, but some of this evidence is quite dated. According to the Opponent, "ESTRELLA DAMM" beer was sold in the following locations:

- (a) In 2013, at a fair. The name of the fair was not provided and there is no evidence that similar fairs were conducted after 2013.
- (b) In 2013, in Jones the Grocer, which is no longer in operation.
- (c) In 2013, in Barraka Bar & Restaurant, which is no longer in operation.
- (d) In 2013, in Tanjong Beach Club.
- (e) In 2013, in Lucha Loco Mexican Cocina Y Bar.

- (f) In January 2018, in Mustachio, which is no longer in operation.
- (g) In September 2017, in Pura Brasa.
- (h) In June 2017, in Hai Bin Sembawang, which is no longer in operation.
- (i) In January 2018, in Shuffle Bar, which is no longer in operation.
- (j) In February 2018, in Grains & Hops Toa Payoh.

83 A number of the outlets which had previously sold “ESTRELLA DAMM” beer have closed. The only outlets still in operation are Tanjong Beach Club, Lucha Loco Mexican Cocina Y Bar, Pura Brasa and Grains & Hops Toa Payoh. Assuming that “ESTRELLA DAMM” beer is still being sold at these 4 outlets, by any measure that would still be a very insignificant number. The very limited distribution of “ESTRELLA DAMM” beer is nonetheless consistent with the miniscule volumes which are being sold in Singapore, which as I have indicated above, represent less than 0.1% of the total volume of beer sold annually in Singapore.

84 Finally, moving to the Opponent’s advertising and marketing of “ESTRELLA DAMM” beer in Singapore, the evidence is fairly thin. The advertising which the Opponent has put into evidence includes:

- (a) An advertorial in 2011. No information has been provided as to where the advertorial ran, or for how long a period.
- (b) Advertising posters at Moustachio in December 2017 and January 2018. No information has been provided as to how long the advertising campaign ran.

(c) Advertising posters at Pura Brasa in September 2017. No information has been provided as to how long the advertising campaign ran.

(d) Advertising posters at Hai Bin Sembawang in June 2017. No information has been provided as to how long the advertising campaign ran.

(e) A bar counter with one of the Opponent's Marks in 2017. No information has been provided as to where the bar counter was deployed or for how long a period.

(f) An advertisement in 2017, though no information has been provided as to where the advertisement was placed or for how long a period.

(g) A beer tower in 2017, though no information has been provided as to where the beer tower was deployed or for how long a period.

(h) Advertising posters at Shuffle Bar in January 2018. No information has been provided as to how long the advertising campaign ran.

(i) Advertising posters at Grains & Hops Toa Payoh in February 2018. No information has been provided as to how long the advertising campaign ran.

85 It appears no advertising or marketing was done between 2011 to 2017, a fairly long period. All in all, the evidence of the Opponent's advertising of the Opponent's Marks is not significant and I do not think it is sufficient to establish that the Opponent's Marks are well known.

86 The ground of opposition under Section 8(4) therefore fails.

Ground of opposition under Section 8(7)(a)

87 Section 8(7)(a) of the Act reads:

(7) A trade mark shall not be registered if, or to the extent that, its use in Singapore 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

88 The three elements of passing off are (a) goodwill, (b) misrepresentation, and (c) damage to goodwill: *Novelty Pte Ltd v Amanresorts Ltd and another* [2009] 3 SLR(R) 216 at [37] and affirmed in *Singsung Pte Ltd v LG 26 Electronics Pte Ltd (trading as L S Electrical Trading)* [2016] 4 SLR 86 at [28].

89 On the issue of goodwill, the Applicant does not dispute that the Opponent has acquired goodwill in its business in Singapore.

90 The Applicant disputes the existence of any misrepresentation. The test for misrepresentation under passing off is substantially the same as that for “likelihood of confusion” under Section 8(2)(b) of the Act (*Combe* at [65]). It is not disputed that the “likelihood of confusion” inquiry may consider factors relating to the impact of the marks-similarity and goods-similarity on consumer perception. They include the following (see *Staywell* at [96]):


- (a) The degree of similarity of the marks
- (b) The reputation of the marks
- (c) The impression given by the marks

- (d) The possibility of imperfect recollection of the marks
- (e) The normal way in or the circumstances under which consumers would purchase goods of that type
- (f) Whether the products are expensive or inexpensive
- (g) The nature of the goods and whether they would tend to command a greater or lesser degree of fastidiousness and attention on the part of prospective purchasers
- (h) The likely characteristics of the relevant consumers and whether they would or would not tend to apply care or have specialist knowledge in making the purchase

Degree of similarity of the marks

91 I have found that the Application Mark is not similar to the Opponent’s Registered Mark (see above at [41] to [67]).

92 As for the Opponent’s Unregistered Marks, comparing each of them as a whole with the Application Mark, I do not find them similar as well.

93 Between the Application Mark and “”, the differences are as follows:

- (a) The colour of the Application Mark contains the colours black, red, white and gold, with black being the dominant colour. The Opponent’s unregistered mark contains the colours red, yellow and white with red being the dominant colour.


(b) Save for the word “ESTRELLA”, the textual elements of the marks are otherwise different.

(c) The star device in the marks are different. The star device in the Opponent’s unregistered mark is a five-pointed 2D star device without any embellishment save that it is yellow in colour. The star device present in the Application Mark is a six-pointed 3D star with alternating patterns. These differences are not so insubstantial such that they would go unnoticed.

(d) The marks are aurally dissimilar, for the reasons set out at [55] to [61] above.

(e) The marks are conceptually not similar, for the reasons set out at [62] to [66] above.



94 Between the Application Mark and “”, the differences are as follows:

(a) The colour of the Application Mark contains the colours black, red, white and gold, with black being the dominant colour. The Opponent’s unregistered mark contains the colours yellow and black, with yellow being the dominant colour.

(b) Save for the word “ESTRELLA”, the textual elements of the marks are otherwise different. The word “BARCELONA” in the Opponent’s mark is not likely to play a distinctive role since it refers to a well known place which most Singaporeans would be aware of. The


average consumer is likely to perceive “BARCELONA” as the place where the Opponent or its products originated from.

(c) The star device in the marks are different. The star device in the Opponent’s unregistered mark is a five-pointed 2D star device without any embellishment save that it is black in colour. The star device present in the Application Mark is a six-pointed 3D star with alternating patterns. These differences are not so insubstantial such that they would go unnoticed.

(d) The marks are aurally dissimilar, for the reasons set out at [55] to [61] above.

(e) The marks are conceptually not similar, for the reasons set out at [62] to [66] above.



95 Between the Application Mark and “” the differences are as follows:

(a) The colour of the Application Mark contains the colours black, red, white and gold, with black being the dominant colour. The Opponent’s unregistered mark contains the colours red, yellow and white with red being the dominant colour.

(b) Save for the word “ESTRELLA”, the textual elements of the marks are otherwise different. The word “BARCELONA” in the Opponent’s mark is not likely to play a distinctive role since it refers to a well known place which most Singaporeans would be aware of. The

average consumer is likely to perceive “BARCELONA” as the place where the Opponent or its products originated from.

(c) The star device in the marks are different. The star device in the Opponent’s unregistered mark is a five-pointed 2D star device without any embellishment save that it is yellow in colour. The star device present in the Application Mark is a six-pointed 3D star with alternating patterns. These differences are not so insubstantial such that they would go unnoticed.

(d) The marks are aurally dissimilar, for the reasons set out at [55] to [61] above.

(e) The marks are conceptually not similar, for the reasons set out at [62] to [66] above.

96 To conclude, I find that the Application Marks and the Opponent’s Marks are dissimilar, and this factor pointed away from a likelihood of confusion.

Reputation of the marks

97 The Opponent did not make any specific argument about the reputation of the Opponent’s Marks. The Applicant argues that there is no evidence of any enhanced reputation in the Opponent’s Marks in Singapore. I agree. Based on my findings above at [77] to [85], which shows that the Opponent’s sales of “ESTRELLA DAMM” beer in Singapore are miniscule (less than 0.1% of the volume of beer sold annually in Singapore), that its beer is sold and distributed in very few outlets, and that there have been very little advertising and marketing in Singapore over the years, I am unable to conclude that the

Opponent's Marks have any kind of enhanced reputation. This factor pointed away from a likelihood of confusion.

The impression given by the marks

98 The Opponent argues that the average consumer or trader in Singapore is likely to place higher reliance on the first word "ESTRELLA" in the competing marks and would therefore assume that the goods offered by both the Opponent and the Applicant originate from the same trade origin and that the words "DAMM" and "GALICIA" merely denote different variant goods.

99 The Applicant disagrees with this, submitting, firstly, that the Opponent has not shown any evidence of use of "ESTRELLA" as a standalone mark in Singapore, and therefore there is no reason for consumers to believe that "GALICIA" and "DAMM" denote variant goods under a single house brand "ESTRELLA".

100 Secondly, the Applicant referred me to a passage from *Virgin Enterprises Ltd v Virginic LLC* [2019] EWHC 672 (Ch) ("*Virgin*"), which was cited in *Combe* at [58]:

Third, I turn to the decision of *Virgin* ([50] supra), which was an appeal against a Hearing Officer's decision dismissing Virgin Enterprises Ltd's (the proprietor of the earlier mark "VIRGIN") opposition to Virginic LLC's registration of "VIRGINIC" in respect of goods in Class 3. It was observed that instances where the court would find a likelihood of indirect confusion tended to fall into one or more of three categories as follows at [17]:

- (a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ('26 RED TESCO' would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as 'LITE', 'EXPRESS', 'WORLDWIDE', 'MINI' etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ('FAT FACE' to 'BRAT FACE' for example).

101 The Applicant argues that the competing marks here do not fall within any of the categories listed in *Virgin*. I agree. In respect of category (a), I have found that while "ESTRELLA" may be distinctive, its distinctiveness arises out of its combination with "DAMM". More importantly, there is no evidence that the Opponent ever used "ESTRELLA" alone on its products and as such there is no evidence that the word "ESTRELLA" alone has acquired any distinctiveness through use.

102 As for category (b), the additional word used in the Application Mark, "GALICIA", is not non-distinctive. Certainly, it is not something that one would expect to find in a sub-brand or brand extension.

103 As for category (c), I am not sure the change from "ESTRELLA DAMM" to "ESTRELLA GALICIA" is obviously logical and consistent with a brand extension. The words "DAMM" and "GALICIA" are quite different. They are not the same length and do not begin and end with the same letters. The concept behind the words is arguably different. "DAMM" is the name of the Opponent's founder but "GALICIA" is a place in Spain. Even if the average consumer did not have knowledge of the Opponent or knowledge of cities in Spain, the words would come across as meaningless to him. To such a person, it would not be obviously logical and consistent for "ESTRELLA GALICIA" to be an extension of "ESTRELLA DAMM".

104 This factor therefore pointed away from a likelihood of confusion.

The price and nature of the goods and the level of attention of prospective purchasers

105 The Opponent argues that beer was an “everyday” good and not inherently expensive and so the average consumer would not likely pay a heightened degree of attention nor exercise a greater level of fastidiousness when purchasing the goods.

106 The Applicant argues that since the relevant goods were alcoholic beverages which could not be said to be cheap consumables, potential purchasers will exercise discernment in their selection and be more likely to be able to distinguish between brands. To support its argument, the Applicant referred me to *Taylor, Fladgate & Yeatman Limited v Taylors Wines Pty Ltd* [2014] SGIPOS 11 at [113] and [116] where the hearing officer said the following in relation to wine:

In my analysis, the evidence shows that the Opponents' goods are sold at hotels (such as Marina Bay Sands and Grand Hyatt Singapore), duty-free shops and supermarkets (such as NTUC Fairprice) ... From the Applicants' marketing material, it appears that their products were distributed to various restaurants around central Singapore (eg. South Bank Thai Restaurant in Boat Quay, Tree Top in Orchard Road, Angus Steak House in Takashimaya, Tasting Notes in Robertson Walk) as well as various supermarket chains (Giant, Carrefour, NTUC, Cold Storage, Isetan) ... Given this evidence, I find that the normal way in which consumers of the Applicants' and the Opponents' goods make their purchases is through supermarkets or restaurants in various central locations in Singapore.

The evidence tendered by the Applicants suggests that there are different types of consumers within the group of wine consumers in Singapore in 2007, namely, those who buy wine "for daily consumption", those who are "discerning and quality-sensitive", those who are "serious wine drinkers/connoisseurs"), and a "growing group" of wine consumers who are well-informed and knowledgeable about wine prices and

quality. By 2011, the growth of the food and beverage sector appears to have increased the selection of wines for wine consumers, causing them to be more demanding about price and quality. Based on this evidence, I find that the nature of Singaporean wine consumers is quite varied, although they would be reasonably knowledgeable about wines to be able to determine the quality / value of their purchases. Even at the lowest end, ie. those who buy "for daily consumption", these consumers appear to be cognizant of quality / value, although they are likely to compromise these aspects in favour of lower prices. Given the type of consumer involved, the impact of the similarity of goods on the consumers' perception is not likely to be very strong since the consumers are of a more discerning class, and are likely to be able to distinguish between different types of wines.

107 I am not sure the case cited by the Applicant is directly relevant. Whilst the cost of beer is more than say an equivalent quantity of a soft drink, beer can be bought fairly cheaply, especially in bulk. A can of beer (330 ml) can be purchased for as little as \$2 (if bought in bulk) and a bottle of beer (about 600 ml) can be purchased for as little as \$5. I do not think an equivalent volume of even the cheapest wine can be purchased at the same prices.

108 Consequently, I am of the view that the price and nature of the goods pointed towards a likelihood of confusion.

The normal way in or the circumstances under which consumers would purchase goods of that type

109 The Opponent argues that the circumstances in which the average consumer purchased the relevant goods pointed towards confusion. The Opponent made three arguments:

- (a) The marks are used on goods that are commonly offered for sale in a noisy environment, such as pubs and bars.

(b) Pubs and bars are casual and relaxed settings where consumers are unlikely to be particularly circumspect on finer details.

(c) There is a tendency of consumers and traders to shorten the words in the marks to only the first word “ESTRELLA” when identifying or describing the goods.

110 The Applicant referred me to passages in *Bacardi & Company Limited v G3 Enterprises, Inc* [2015] SGIPOS 17 where the Hearing Officer concluded that when it came to alcoholic products, they could be purchased by the consumer via the retail channel or food and beverage establishments. When alcoholic products are sold via the retail route, the visual aspect of the marks are paramount. When alcoholic products are sold via food and beverage establishments, the visual and aural aspects of the marks (in that order) are important. Since the Applicant and Opponent’s products appear to be sold via retail channels and food and beverage establishments, the visual and aural elements of the Application Mark and the Opponent’s Marks are of greater significance in assessing likelihood of confusion. Since the marks are visually and aurally dissimilar, this pointed away from a finding of a likelihood of confusion.

111 I agree with the Applicant. I have held above that the Application Mark and the Opponents’ Marks are visually and aurally dissimilar. Although in a noisy environment like a pub or a bar, it might be difficult to hear every single word spoken, I do not think this would lead to confusion since I would assume that a consumer would say “ESTRELLA DAMM” or “ESTRELLA GALICIA”. In this respect, I am unable to accept the Opponent’s contention that the average consumer or trader is likely to use only the first word in the mark to describe

the goods. The Opponent has not pointed me to any no factual or legal basis to support such a proposition.

112 Consequently, this factor pointed away from a likelihood of confusion.

Absence of actual confusion

113 The absence of actual confusion is a factor that can be considered in deciding whether the element of passing off has been established (see *Super Coffeemix Manufacturing Ltd v Unico Trading Pte Ltd and another and another appeal* [2000] 2 SLR (R) 214 at [64] and *Digi International Inc v Teraoka Seiko Co, Ltd* [2021] SGHC 165 at [218]).

114 “ESTRELLA DAMM” beer and “ESTRELLA GALICIA” beer have been sold in Singapore for at least 7 years and have therefore co-existed in the market for that period. Yet, the Opponent has not produced a single instance of confusion from consumers or traders. Whilst perhaps not every single instance of confusion would be reported or known to the Opponent, I would think that if there was any real confusion during this 7-year period (which is a fairly long period), the Opponent would have been informed of it.

115 In most opposition proceedings, the applicant would not have entered the market as yet and the only assessment that can be made is whether confusion is likely. In this instance, there exists 7 years of co-existence but no evidence of any confusion. In my view, this is very strong evidence that there is not likely to be any confusion in the future if the Application Mark is allowed to be registered.

Conclusion

116 Not every factor has the same weight and applies equally. But most of the factors pointed away from a likelihood of confusion. I considered especially weighty the fact that “ESTRELLA DAMM” beer and “ESTRELLA GALICIA” beer have co-existed in the Singapore market for the past 7 years without a single instance of confusion.

117 Consequently, I conclude that the use of the Application Mark is not likely to result in consumers being deceived or confused into thinking that the Applicant’s goods are, or emanate from a source that is linked to, the Opponent’s.

118 As misrepresentation is not established, the opposition based on passing off fails. The ground of opposition under Section 8(7)(a) therefore fails.

Other arguments

119 The Applicant also made a number of other arguments in support of its position that the opposition should be dismissed:

(a) The Applicant was entitled to the defence of concurrent goodwill in response to the passing off claim as it had been selling products with the Application Mark for the past 7 years and should be entitled to continue doing so.

(b) The Applicant was entitled to the defence of honest concurrent use pursuant to Section 9 of the Act should the opposition under Sections 8(2)(b) and 8(7)(a) succeed.

(c) Even though the Applicant had been selling “ESTRELLA GALICIA” beer in Singapore since 2012, and the Opponent was entitled to rely on the Opponent’s Registered Mark (which was registered in 2011) to stop or challenge the Applicant’s use of the Application Mark, the Opponent did not do so until 7 years later. By its conduct, the Opponent had therefore acquiesced to the Applicant’s use of the Application Mark and it is now unjust for it to oppose the registration of the mark.

120 As I have found that the opposition fails on all grounds, it is not necessary for me to consider these arguments, some of which are fairly novel in the context of opposition proceedings.

Overall conclusion

121 Having considered all the pleadings and evidence filed and the submissions made in writing and orally, I find that the opposition fails on all grounds. Protection in Singapore is to be conferred on International Registration No. 1166479 (Singapore Trade Mark No. 40201910153U). The Applicant is also entitled to costs to be taxed, if not agreed.

Sheik Umar bin Mohamed Bagushair
IP Adjudicator

Ruby Tham (Drew & Napier LLC) for the Applicant;
Jonathan Tjioe, Kevin Wong (Ella Cheong LLC) for the Opponent.
