

UPDATES FROM IPOS

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Dear readers,

For those of you who have just subscribed, a very warm welcome!

If you know of anyone that would like to be added to this mailing list (which deals primarily with IP/IT dispute resolution in Singapore), please drop us a note at ipos_hmd@ipos.gov.sg. IPOS also separately maintains another mailing list for circulars, legislative amendments and other related matters which you can join by contacting news@ipos.gov.sg. And, for any comments or feedback (or to draw our attention to any interesting news we might have missed), please email gabriel_ong@ipos.gov.sg. Archived copies of our previous updates are available at the following [link](#).

Recent court decisions

- [Medica Singapore Pte Ltd v Chabtini Elias Georges](#) [2022] SGHC 234

The plaintiff, Medica Singapore Pte Ltd, a Singapore company, was the registered proprietor of certain “SRS” trade marks registered in various jurisdictions. It brought an action against the defendant, Mr Chabtini, one of its former directors. The defendant had taken steps to transfer the “SRS” marks to EMA Aesthetics Limited, a company incorporated in Ireland (“EMA”).

The defendant’s actions were discovered by one Ms Seow, the majority shareholder of the plaintiff and (at the time of the suit) its sole director. Ms Seow was able to inform IPOS in time that the transfer in Singapore was unauthorised, and so the transaction was halted. Ms Seow was also able to reverse the transfers in Thailand, Malaysia and Hong Kong. However, the transfer of ownership to EMA had been completed in Indonesia and Taiwan. Through the lawsuit, the plaintiff sought, among other things, a court order that the defendant take steps to transfer the trade marks in Indonesia and Taiwan back to the plaintiff as rightful owner.

In his defence, the defendant argued that the plaintiff may have had the legal title, but it held the “SRS” marks on trust for another company whose rights had been acquired by EMA. In essence, the defendant’s case was that EMA was the beneficial owner of the marks and so his act of transferring the trade marks was not in breach of any fiduciary duties.

However, after considering the evidence, the judge found that there was no express trust created and ruled in favour of the plaintiff. The defendant was ordered to take steps to transfer the registrations in Indonesia and Taiwan back to the plaintiff and to compensate the plaintiff for the cost of the transfers that it was able to reverse on its own.



- [William Lim Tien Lou v Ling Kok Hua](#) [2023] SGHC 18

This dispute was recently covered in The Straits Times article titled "[Scam victim's \\$10,001 used to buy Bitcoin; High Court rules crypto seller gets the money](#)" (30 Jan 2023). The article was also featured on [Singapore Law Watch](#).

Notably, this was not a civil case and the Judge's decision was made against the backdrop of a disposal inquiry in the context of the Criminal Procedure Code which "*is not conclusive as to title*" and is instead "*an inexpensive and expeditious manner of distributing items*". In deciding that the seller of the Bitcoin could keep the money, the judge emphasised that he was *not* deciding the issue of whether or not a cryptocurrency, as opposed to its monetary proceeds is property. The court also made clear that the ruling had "*no effect on a civil court*" and that parties remained free to commence civil proceedings or come to some sort of resolution between themselves.

- [Kiri Industries Ltd v Senda International Capital Ltd and anor](#) [2023] SGHC(I) 3

In the latest instalment of the long-running *Kiri v Senda* dispute which we have been covering, the SICC has issued its determination of an issue which impacts on the notional licence fee for the purposes of valuing the shares in DyStar. (Assessment of the notional licence fee was required because there had been an unauthorised use of DyStar's patent over certain orange dyes.) The link provided above also includes the court's case summary.

Recent IPOS decisions

- [Soon Ailing v Cheng & Partners \(S\) Pte. Ltd.](#) [2023] SGIPOS 3

This Registrar's Decision concerned an application to revoke a design registered for a "Customized Watch Bezel". The sole ground of objection was that the design was not novel at the date of its registration. Although the registered owner of the impugned design initially filed a counter-statement to defend the registration, it did not file any evidence in support. In such a situation, r 43(2) of the Registered Designs Rules provides that the registered owner "*shall, unless the Registrar otherwise directs, be deemed to have admitted to the facts alleged by the applicant in his application for revocation*". Since the registered owner did not have any evidence in response to the applicant's evidence that the design lacked novelty, the registration was revoked.

- [Yap Fei Fei v Chuan Hong Seng Pte. Ltd.](#) [2023] SGIPOS 4

This trade mark opposition was against the stylised mark "SOFEI gold". The sole ground of opposition was that the trade mark had been applied for in bad faith. The facts of the case are somewhat unusual.

The opponent, Ms Yap, was a shareholder and director of So Fei Pte. Ltd. ("SFPL"), a Singapore company. SFPL had been in the business of, among other things, importing citron tea from South Korea and distributing / selling it in Singapore under the brand "SOFEI Gold Citron Tea". SFPL was the registered proprietor of the marks "SOFEI gold citron tea" (in Class 30 for "Korean Citron Tea") and "SOFEI" (in Class 35 for "Retail services, wholesale services,



import and export services”) in Singapore. The citron tea business enjoyed some success. Subsequently, SFPL was supposed to be wound up for other unrelated reasons. As such, Ms Yap tried to look for a third party who might be interested to take over the citron tea business.

Enter the applicant, Chuan Hong Seng Pte. Ltd (“CHSPL”), a Singapore company in the business of importing, distributing, and selling food products. Ms Yap spoke to CHSPL on various occasions with a view to selling the citron tea business. These discussions ultimately culminated in a signed sale and purchase agreement (“SPA”) through which the applicant purchased the “SOFEI” citron tea business (including the “SOFEI Gold Citron Tea” and “SOFEI” marks) from SFPL for the sum of \$30,000. In accordance with the agreement, the applicant was recorded as the new owner of the “SOFEI gold citron tea” and “SOFEI” marks on the IPOS register.

A key feature of the SPA between SFPL and CHSPL was the appointment of the opponent as the applicant’s agent for a period of 3 years. During this time, Ms Yap was supposed to assist the applicant with sourcing, importing, and selling of the citron tea products. For this, Ms Yap was supposed to be paid a commission of 3% of the value of each shipment. For a few months, the arrangement proceeded in accordance with the agreement. However, the parties’ relationship soon soured. The opponent accused the applicant of bypassing the SPA by ordering citron tea directly from the manufacturer in Korea instead of through her as agent (which meant that she would not be earning the 3%-per shipment commission). The applicant countered that it had discovered that Ms Yap’s citron tea supplier: (a) was not the manufacturer of the citron tea but instead an intermediary that had been selling the products to the applicant (through Ms Yap) at a 20% mark-up on the original price; (b) was incorporated shortly before the date of the SPA; and (c) had Mr So, the opponent’s husband, appointed as a director after the SPA was entered into.

The opponent’s case on bad faith was that she / SFPL did not intend to permanently transfer the “SOFEI Gold Citron Tea” and “SOFEI” marks to the applicant; especially not for such a small sum of money. She argued that the SPA should be viewed as a 3-year distribution arrangement whereby the applicant had only the right to use and be seen as the proprietor of the “SOFEI” marks for that period of time. In response, the applicant contended that the agreement clearly indicated that SFPL had agreed to sell the entire business and trade marks to CHSPL. The applicant also pointed out that Ms Yap had, in fact, arranged for the recordal of the transfer of trade mark ownership from SFPL to CHSPL. It argued that as the registered proprietor of the “SOFEI” marks, it did not act in bad faith by applying to also register the stylised “SOFEI gold” mark. Ultimately, the IP Adjudicator was satisfied on the evidence that the applicant held the genuine belief that it had legal title to the marks and that there was no impropriety on its part in filing for the application mark. Since the opponent could not establish bad faith, the opposition was refused.

- [NCL Corporation v Norwegian Brand Ltd.](#) [2023] SGIPOS 5 (also see case summary [here](#))

This case involves two parties with established businesses in the global travel industry. One provides air travel services and the other operates cruises. The decision looks at the requirement of a “real and effective commercial establishment” in a Convention country when it comes to well known marks. It also demonstrates how considerations in an



opposition based on the ground of passing off under Section 8(7)(a) differ from considerations in a civil action for passing off. In addition, it illustrates how it may be the case that goodwill is sufficiently associated with an opponent's mark with relatively low inherent distinctiveness, and, at the same time, because of the low inherent distinctiveness of that mark, the opposed mark is more readily assessed to be sufficiently different from the former.

SIDRA Survey on IP and Tech Disputes

SIDRA is a platform for thought leadership in international dispute resolution theory, practice and policy. A research centre at the Singapore Management University School of Law, SIDRA leads via projects that promote dynamic and inclusive conversations on how to constructively resolve disputes at national, regional and global levels.

This year, for the *first time*, SIDRA has included *IP and Tech dispute issues* for their quantitative survey which is scheduled to be published by mid-2024.

The *online survey* for the *IP & Tech dispute section* will take about *15-30 minutes to complete*:

Intellectual Property Disputes: <https://smu.sg/SIDRAipd2023>

Technology Disputes: <https://smu.sg/SIDRAtd2023>

