

UPDATES FROM IPOS

SEPTEMBER-OCTOBER 2023

Dear readers.

Here is an update on recent developments in IP/IT dispute resolution in Singapore.

Recent Court decisions

• <u>Consorzio di Tutela della Dominazione di Origine Controllata Prosecco v Australian Grape and Wine Incorporated</u> [2023] SGCA 37

In a judgment that was widely-covered by the media (see e.g. The Straits Times report dated 14 November here), the Court of Appeal allowed "Prosecco" to proceed to registration as a Geographical Indication (reversing the decision of the General Division of the High Court below). Notably, this is the first time that the Court of Appeal has ruled on a matter involving the Geographical Indications Act 2014. The appeal was heard by an enlarged panel of 5 judges (instead of the usual 3), who were assisted by the views of Professor Ng-Loy Wee Loon, who was appointed as Independent Counsel. The court case summary is included within the above link.

<u>Eng's Wantan Noodle Pte Ltd and anor v Eng's Char Siew Wantan Mee Pte Ltd</u> [2023] SGHCR
17

This decision marks the latest episode in a long-running dispute over the "Eng's" trade mark. For background, it may be useful to start by reading the Straits Times article 'Daughters of Eng's wonton noodles founder win trademark dispute', published here.

The referenced article is particularly relevant because the defendant reproduced it as a poster and displayed it outside its Eng's Char Siew Wantan Mee shop. The poster contained a juxtaposition of "two separate images of the shopfronts of the first claimant and the defendant, and had the word "Counterfeit" placed across the former and the words "REAL and only" over the latter", and carried a statement which read (see [26] to [28] of the decision):

Our family's Eng's Trade Marks have been misappropriated. Sadly the public has been deceived and some even suffered food poisoning at the counterfeiter's shops. We were bullied but we persevered and are grateful for the High Court, the Court of Appeal and IPOS's decisions in our favour.



The Eng's brand was left to us by our late father and rightfully belongs to our family. Our Family stands united to do him proud as the true Hawker Master for wantan mee.

We will be pursuing the matter with Mr Thomas Hong and Ms Pauline New for their infringement of the Eng's name.

After discovering this, the claimants commenced proceedings for defamation and groundless threats of infringement proceedings. In response, the defendant counterclaimed for trade mark infringement and contended, among other things, that the threat was not groundless. It also raised the defence of justification to the defamation claim.

During the parties' Single Application Pending Trial (SAPT), both sides sought the production of specific documents. The claimants also wanted the defendant to provide security for costs for its counterclaim for infringement. The Assistant Registrar ("AR") did not allow the parties' applications for production (see reasons at [52]-[60]), and also declined to order security for costs (see [66]-[77]). In so doing, the AR made a number of interesting observations. We name three. First, this case might be the first to consider the disclosure regime for originating claims under O 11 of the Rules of Court 2021 (see [39]). Second, the AR expressed doubt as to whether the defamation claim should even be proceeding to trial given that the claimant had admitted to the truth of the food poisoning incident (at [58]-[60]). Third, the AR opined that the defendant's counterclaim for infringement has a reasonably good prospect of success, thus weighing (as with other factors) against the ordering of security.

• Swift Maids Pte Ltd and anor v Cheong Yi Qiang and ors [2023] SGHC 317

This judgment is perhaps the most recent decision of the General Division of the High Court on breach of confidence—an area of law which has seen a number of developments in the law in the past few years (from the Court of Appeal's decisions in I-Admin to Lim Oon Kuin and the more recent decisions of the General Division of the High Court in Shanghai Afute and Amber Compounding, all of which are discussed at [59]-[66] of the decision). The plaintiffs in the action were foreign domestic worker ("FDW") employment agencies operating under the brand "Swift Maids". They sued Mr Cheong, a former employee and general manager of the 1st plaintiff, for breach of confidentiality obligations and breach of fiduciary duties. The heart of the plaintiffs' case was that Mr Cheong had taken and made unauthorised use of the plaintiffs' confidential information (specifically, customer contact information, FDW contact information, FDW biodata, and suppliers' contact information) by providing it to the other defendants (which had newly entered the FDW employment agency business under the name "Recruitbee"). The claim was pleaded on the basis of "wrongful gain" interest, but this was found not to have been sufficiently proved. Ultimately, the court dismissed almost all of the plaintiffs' claims and awarded only nominal damages (of \$\$2,000) to the plaintiffs for Mr Cheong's breach of his employment contract.

Singapore Productivity Centre Pte Ltd v Samuel Lam King Way [2023] SGMC 92

Readers may also be interested to note that the Magistrates Court has also recently considered a breach of confidence claim arising out of the actions of an ex-employee. In the result, the court awarded only nominal damages of S\$1.

• <u>Loh Cheng Lee Aaron v Hodlnaut Pte Ltd</u> [2023] SGHC 323

This decision was made in connection with an application for the winding up of Hodlnaut, a Singapore company. The key ruling by Justice Aedit Abdullah was that Hodlnaut's cryptocurrency obligations counted towards determining whether the company is insolvent. The court rejected the argument (made by the company's directors) that its cryptocurrency holdings should not be counted as debts owed by the company. In arriving at this decision, the judge cautioned that "nothing in my decision suggests that cryptocurrency should be treated as money in the general sense, a question which I do not have to decide in the present case". The decision is fairly short, and worth reading in its entirety.

• On 17 October 2023, The Straits Times published a report titled "Crypto exchanges in Singapore roped in to help with international case on stolen assets" (note: article is behind a subscriber paywall). In brief, the Singapore High Court had granted London-based investigation firm Intelligent Sanctuary (or iSanctuary) permission for a global freezing court order to be tokenised as an NFT (non-fungible token) and served on cryptocurrency cold wallets associated with stolen funds from a hack. According to a LinkedIn post by Drew & Napier LLC, which acted in the case, this "is the first known decision by the Singapore Court permitting service on persons unknown by NFT" and that this "was done within 72 hours of being instructed". Interested readers may also wish to refer to iSanctuary's statement here. It appears that a Singapore-based NFT studio, known as Mintable, was the creator of the NFTs used to serve the court order. It also seems that the NFTs cannot be transferred or traded out of the cold wallets to which they were attached (and are known in the industry as "Soulbound NFTs"), and anyone interacting with the wallets would be informed of the freezing order.

First Successful Meditation under WIPO-Singapore ASEAN Mediation Programme (AMP)

A trade mark dispute involving three optometry businesses with family ties has been successfully mediated: Chew's Optics & Chew's Optics & Chew's Optics (Bishan), Chew's Optics & Chew's Optics (Bishan), Chew's Optics & Chew's Optics (Bishan), Chew's Optics & Chew's Optics (Bishan), Chew's Optics (Bish

ASEAN parties with IP/technology disputes or negotiations are welcome to apply for WIPO mediation and AMP funding of up to SGD 8,000. More details on AMP can be found here.

Featured event: Online WIPO Mediation and Arbitration Workshop

Learn about international mediation and arbitration, as well as their benefits for intellectual property and technology disputes, at WIPO's complimentary, online Mediation and Arbitration Workshop, to take place on **November 28-30, 2023**. See <u>program</u> and register <u>here</u>.

New video on tech and IP dispute resolution by IPOS

Readers may be interested to note that we have recently published a short <u>video</u> on LinkedIn featuring Singapore's dispute resolution offerings in the tech and IP dispute resolution space.

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.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. 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.