

**In The Matter Of A Trade Mark Application By
Maycolson International Ltd**

And

**Opposition Thereto By
Rothmans Of Pall Mall Limited**

*Before Principal Assistant Registrar Ms P Arul Selvamalar
3 and 6 June 2005*

Trade Marks – Opposition to registration – whether the application to register is made in bad faith - Section 7(6) of the Trade Marks Act 1998 [Cap. 332]

Trade Marks – Opposition to registration – Likelihood of confusion - whether the Application Mark 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 - Section 8(2)(b) of the Trade Marks Act 1998 [Cap. 332]

Trade Marks – Opposition to registration – whether the Applicant’s use of the Application Mark would constitute passing off - Section 8(4a) of the Trade Marks Act 1998 [Cap. 332]

Trade Marks – Opposition to registration – whether the Applicant’s use of the Application Mark was in breach of copyright - Section 8(4b) of the Trade Marks Act 1998 [Cap. 332]

The Applicant is Maycolson International Ltd, a company incorporated in the British Virgin Islands, who filed an application on 24 January 2003, for a mark which comprised the word “Fairlight” with the words “Finest Virginia” below the word “Fairlight”, on a hexagon shaped background with a device of a crown at the top of the hexagon and a device of 4 leaves at the bottom of the hexagon. The application was made in class 34 for the goods, “cigarettes”. The application was accepted for registration and advertised on 17 April 2003 for opposition. The Applicant is a licensee from 2 Austrian brothers, who had advertised on their website that they offer Rothmans look-a-like cigarettes.

The Opponent, Rothmans Of Pall Mall Limited, are a wholly owned member of the British American Tobacco Group of Companies. The Opponents or its BAT group affiliates are the owners of the Rothmans King Size Filter brand of cigarettes. In Singapore they have a registration since 1957 for the mark Rothmans King Size on an oval shaped background with a crest device at the top of the oval and a banner device at the bottom of the oval (T57/2229). Since 2001 they have registered the oval label only (without the word Rothmans) with the crest device at the top of the oval (T01/05135). There is no banner device at the bottom of the oval in this mark.

The Opponent contended that the Applicant’s mark was confusingly similar to their marks. They argued that although the mark is applied for in black and white, the Registrar may take into account the actual use of the Applicant’s mark. The Opponent also contended that the principle of imperfect recollection should apply, especially where cigarettes are placed behind a counter, because then the words in the marks are not obvious. Further, some of the Opponents’ clientele may be old and may not be able to distinguish the words Rothmans and Fairlight. The Opponent also submitted that because of the reputation of the Opponents’ marks the risk of confusion would be higher, that actual confusion is not required and that it is sufficient if an ordinary person entertains a reasonable doubt.

The Opponent submitted that they have the requisite goodwill, that the Applicant had designed their mark to trade off on their goodwill and that therefore they are guilty of misrepresentation. They submitted that the question why the applicant chose to adopt a particular name or get up is always highly relevant. They sought to introduce the proposition that “long use of a particularly distinctive get up does place on a new competitor a special obligation to avoid confusion”. The Opponent made no submissions on the issue of damage.

The Opponent submitted that there were sufficient similarities between the marks to constitute some copying by the Applicants of the Opponents’ marks.

The Opponent submitted that in relation to tobacco products the desire to copy well established marks was great. The Opponent argued that bad faith includes dealings which fall short of the standards of acceptable commercial

behaviour observed by reasonable and experienced men in the particular area being examined. They put forward the proposition that bad faith may be found even where the Applicant sees nothing wrong in his own behaviour, and sought to strengthen this proposition with a statement of obiter from a decided case “Nor does an honest person deliberately close his eyes and ears, or deliberately not ask questions, lest he learn something he would rather not know, and then proceed regardless”.

The Applicant argued that the marks were not confusingly similar, and that there was no passing off by the Applicants. The Applicant also submitted that they were not in breach of copyright. With respect to bad faith the Applicant submitted that the allegation of bad faith should not be made unless it can be fully and distinctly pleaded and that such an allegation should not be proved by inference alone.

Held, allowing the application mark to proceed to registration:

1. Although most of the non-word elements of the marks may be visually similar, in this case the aural dissimilarity in the marks will distinguish the cigarette packets because of the special mechanism of purchase in Singapore. The majority of the Singaporean public buys cigarettes by asking for them from a counter assistant. Further, the words in the marks, Rothmans King Size and Fairlight Finest Virginia are not similar, and are prominent features that will assist the public to distinguish the Applicants mark from the Opponents registered mark. A substantial number of members of public, including the counter assistants, will not be confused if the Applicants’ mark proceeds to registration. The ground of opposition under section 8(2b) therefore fails.
2. The Opponent submitted that their marks enjoyed sufficient reputation or goodwill and that the Applicants were guilty of misrepresentation. However as it has been held that above that the marks are not confusing, misrepresentation cannot be made out. The ground of Opposition under section 8(4a) therefore fails.
3. The Opponent submitted that there was some copying by the Applicant of the Opponent’s marks. However it is substantial copying that is required for the Applicant to be in breach of the law of copyright. The ground of Opposition under Section 8(4b) therefore fails.
4. The issue of bad faith was complicated in this case as it was not the Applicant but the Applicant’s licensors, 2 Austrian brothers, who advertised on their website that they offer for sale, Rothmans look-a-like cigarettes. The Managing Director of the Applicants knew about this claim in the Austrian brothers’ website. However he also knew what the licensed mark looked like by the time he made the application. The Registrar found that the Applicant MD’s suspicions should have been aroused by the information on the website but that the suspicions would not have remained after he saw the licensed mark. This is because the marks are not identical or extremely similar.
5. In the *Harrisons* case, it was found that a trade mark applicant should not have deliberately not asked questions lest he learn something he would rather not have known. Applying that case, the Registrar found that the Applicant’s MD should have made enquiries. In the *Harrison*’s case, the mark that the applicant applied for, *Chinawhite* was identical to the name of the pub to be opened under the same name. However in this case the marks were not identical or extremely similar. Therefore if the Applicant’s MD had asked questions he would not have obtained a clear answer that there was a breach of a legal requirement. The Registrar was of the view that the answers to the questions that the trade mark applicants are obliged to ask should lead to the conclusion that there was a breach of at least one legal requirement. If the answers do not lead to that conclusion, then the finding of bad faith should not be made on the basis that there was a failure to inquire further.
6. The lack of explanation on the Applicant’s part of their reasons for making the application and of their reasons for obtaining a license from the Austrian brothers is unsatisfactory but the fact that their suspicions should have been aroused, is insufficient evidence to infer bad faith. The marks are not identical or extremely similar such that the MD should have realised that they Austrian brothers were selling Rothmans look-a-like cigarettes and refrained from making the application. The Opponent has not discharged it’s burden of proving that the Applicants acted in bad faith. The opposition under Section 7(6) therefore fails.

Provisions of legislation discussed

- Trade Marks Act (Cap. 332, 1999 Rev Ed.) Sections 7(6), 8 (2b), 8(4a) and 8 (4b).

Cases referred to:

- *Worthington’s TM* (1880) 14 Ch Div 8

- Christiansen's TM (1886) 3 RPC 54
- Pianotist Co's Application (1906) 23 RPC 774
- Australian Woollen Mills v Walton [1937] CLR 641
- Hacks Application (1941) 58 RPC 91
- Re Auvi TM [1992] 1 SLR 639
- Saga Foodstuffs v Best Food [1995] 1 SLR 739
- Royal Brunei Airlines Sdn Bhd v Philip Tan [1995] 2 A.C. 378
- Harrods Ltd v Harrodian School Ltd [1996] RPC 697
- United Biscuits v Asda Stores [1997] RPC 513
- Sabel BV v Puma AG (1997) 48 IPR 716
- CDL Hotels International Ltd v Pontiac Marina Ltd [1998] 2 SLR 550
- Gromax Plastics Ltd v Low Nonwovens Ltd [1999] RPC 367
- Jos' the Boss (SRIS 0/170/99)
- Kellogg Co v Pacific Food Products [1999] 2 SLR 651
- Tiffany & Co v Fabriques de Tabac [1999] 3 SLR 147
- C A Sheimer's TM Application [2000] RPC 484
- Demon Ale TM [2000] RPC 345
- Lloyd Shuhfabrik Meyer & Co GmbH v Klijsen Handel BV [2000] FSR 77
- Sime Darby Edible Products Ltd v Ngo Chew Hong Edible Oil Pte Ltd [2000] 4 SLR 360.
- Royal Enfield TM [2002] RPC 24
- Harrison v Teton Valley [2004] EWCA Civ 1028

Representation

- Mr Boey Swee Siang & Mr Daniel Chan (Yu Sarn Audrey & Prs) for the Applicants
- Mr Gilbert Leong & Mr Koh See Khiang (Rodyk & Davidson) for the Opponents

[There was an appeal against this decision to the High Court. The decision on the ground of confusing similarity was upheld but the decision on the ground of bad faith was overturned. See *Rothmans of Pall Mall Limited v Maycolsen International Ltd* [2006] 2 SLR 551. There was no further appeal to the Court of Appeal]