

**In The Matter Of Trade Mark Applications By
SPA Esprit Pte Ltd**

And

**Opposition Thereto By
Esprit International**

*Before Principal Assistant Registrar, P Arul Selvamalar
22 November 2004*

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 – whether the Applicants’ mark is identical to the Opponents’ mark – Section 8(1) 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(4)a of the Trade Marks Act 1998 [Cap. 332]

Trade Marks – Opposition to registration – whether there was honest concurrent use of the Applicants mark - Section 9 of the Trade Marks Act 1998 [Cap.332]

The Applicants who are a Singapore company applied for registration of 2 marks T00/07987 and T00/07988 for the words “spa esprit” and “spa esprit where mind is body” on 12 May 2000. Both applications were in class 42 for the services “Health care; massage; baths (Turkish); beauty salons (Beauty)”. The Opponents are an American corporation that owns 2 registered trade marks T99/13360 and T99/13361, both for the word ESPRIT in class 42 for the services “Beauty and hairdressing salons, health and beauty spa services; restaurants, cafes, cafeterias, bars and cocktail lounges, canteens, snack bars and catering services”. The Opponents’ registrations predate the applications. The Opponents’ Esprit mark was first used in the US in 1970. The Opponents have registrations in Singapore in class 25 for their Esprit mark since 1981. In 1985 the Opponents opened their first retail outlet in Singapore selling mainly clothing but subsequently they sold footwear, headgear and other accessories as well. By 1999, the Opponents had applications or registrations for various marks incorporating the word “ESPIRIT” in Classes 3, 4, 8, 9, 14, 16, 18, 20, 21, 24, 25, 26, 28, 34 and 42. The Opponents’ sales turnover in Singapore alone ranged between S\$ 29 million and S\$ 35 million in the years 1995 to 2000 and their advertising expenditure was S\$80,000 in the year 1995 and S\$248,000 in the year 2000.

The Applicants were incorporated in 1996 as Belle Esprit Pte Ltd. In 1997 the business name was changed to Spa Esprit Pte Ltd and the Applicants have been providing their spa services from their Holland Village outlet since then. Their turnover in the year 2000 was \$1.162 million.

The Opponents argued that the Applicants’ marks should not be registered they were identical/similar to the Opponents’ marks for identical/similar services under sections 8(1) and 8(2)b and that the Applicants were passing off their services as those of the Opponents’ in contravention of section 8(4)a. The Opponents also argued that the Applicants have acted in bad faith in making these applications under section 7(6). They also argued that their mark was well known under section 8(3). However this section was not considered by the Registrar as they were successful under section 8(2)b. The Opponents also pleaded section 8(4) read with section 55 but the Registrar found that section 55 could not be pleaded in that manner, therefore this ground was also not considered. The Opponents also countered the Applicants’ submission that there was honest concurrent use under section 9, of the Act by stating that section 9 only applied if there had been no opposition.

Held, disallowing registration

1. The Registrar decided that the question whether the marks were identical should be interpreted strictly, that the later mark must reproduce without any modification or addition, all the elements constituting the

trade mark or where, viewed as a whole, it must only contain differences so insignificant that they may go unnoticed by an average consumer, as stated in the SA Societe LTJ Diffusion Case. Applying the strict interpretation, the Applicants' marks "spa esprit" and "spa esprit where mind is body" and the Opponents' registered mark for the word Esprit, were not identical. Therefore the opposition under section 8(1) failed.

2. The Opponents mark comprised the word ESPRIT and the Applicants marks were "spa esprit" and "spa esprit where mind is body". The whole of the Opponents mark was incorporated in the Applicants marks. In the Applicants' first mark "spa esprit", the addition of the word "spa" did not add much to the mark such that the marks would then be less likely to confuse. Although in the Applicants' second mark there were more words, namely, "where mind is body" which appeared below the words "spa esprit", those words did not add sufficient distinctive character to the mark, so that the marks were less likely to lead to confusion. In fact because the words "where mind is body" appeared below and as a tag line, it would not be perceived as the distinctive and dominant component of the mark. The word "esprit" originates from the French language but it is found in the English dictionary. It means spirit and liveliness. That meant that both the Opponents' and Applicants' marks when used on spa services would convey the same meaning and would also be conceptually similar. There would be a likelihood of confusion. The opposition under section 8(2) therefore succeeded.
3. The Applicants pleaded that there was honest concurrent use of their mark under section 9. Under the new Act, a finding that there was honest concurrent use cannot overturn a finding that there would be confusion under section 8(2). However it can be considered in relation to the issue of confusion under section 8(2), applying the CODAS case. However in the present case, there was no use of the Opponents mark on spa services. Therefore the Registrar did not have the assistance of any evidence that there was no confusion when considering whether there would be confusion under section 8(2). The consideration under section 8(2) was based upon whether there would be confusion assuming the Opponents use their registered trade marks on class 42 services.
4. The Opponents' reputation resided in the business of selling clothing and other class 25 goods only and did not reside in providing spa services under class 42. Therefore the use of the Applicants' mark on services in class 42 would not lead to the type of confusion or deception that was needed for the element of misrepresentation under passing off. What is required is that those who know of the reputation of the Opponents' must mistakenly infer from the Applicants' use of the mark "spa esprit" or "spa esprit where mind is body" on spa services, that the Applicants' spa services originated from the Opponents or that they were connected. Since that would not happen here, the opposition based on passing off under section 8(4) failed.
5. There is insufficient evidence to establish mala fides under section 7(6). The Opponents submitted that they were already using their mark on clothing in class 25 when the Applicants decided to use their mark on spa services and that therefore the Applicants acted in bad faith. However it was found that if a person adopted for use on a different class of goods or services, a mark which already had become reputed for one class of goods or services, then that alone is insufficient evidence to infer that the person acted mala fides. The ground of opposition under section 7(6) therefore failed.

Provisions of legislation discussed

- Trade Marks Act (Cap. 332, 1999 Rev Ed.) Sections 7(6), 8(1), 8(2)b, 8(3), 8(4)a and 8(4)a read with section 55.

Cases referred to:

- 10 Royal Berkshire Polo Club TM [2001] RPC 32
- Ahern's Ltd's Appn (1932) 2 AOJP 167
- Aktiebolaget Volvo v Heritage (Leicester) Ltd [2000] FSR 253.
- Alex Pirie & Sons Application (1933) 50 RPC 147
- Austin Rover Group Ltd v Rovercraft Ltd [1987] IPD 10087
- Barney 2223632
- British Sugar plc v James Robertson & Sons Ltd [1996] RPC 281
- Canon Kabushiki Kaisha Japan v MGM Inc [1999] RPC 117
- Cheers 2220894
- Coca-Cola Co (Canada) Ltd v Pepsi-Cola Co. (Canada) Ltd (1942) 59 RPC 127
- CODAS TM [2001] RPC 240
- Coles Myer Ltd's Appln (1993) 26 IPR 577
- Decon Laboratories Ltd v Fred Baker Scientific Ltd [2001] RPC 293

- Erven Warnink BV v J Townend & Sons (Hull) Ltd (1979) AC 731
- Ever Ready plc opposition 2012470
- Expanded Metal Co Ltd v Finn Blinds [1986] AIPC 90-305
- Flowstacka TM [1968] RPC 66
- Freightliner 753053
- Frigiking TM [1973] RPC 739
- Gromax Plasticulture Ltd v Low Nonwovens Ltd [1999] RPC 367
- Jellinek's Application (1946) 63 RPC 59
- Kodak (A'asia) Pty Ltd's Appn (1936) AOJP 1724
- Laura Ashley v Coloroll [1987] RPC 1
- Lego System Aktieskab & Anor v Lego M Lemelstrich Limited (1983) FSR 155
- Lloyd Schuhfabrik Meyer GmbH v Klijsen Handel BC C-342/97 [1999] ETMR 690 Origins Natural Resources Inc v Origin Clothing Ltd [1995] FSR 280, 287
- Marca Mode CV v Adidas AG [ECJ case C-425/98]
- Pan-West (Pte) Ltd v Grand Bigwin Pte Ltd [2003] 4 SLR 755
- Polo Textile Industries Pty Ltd v Domestic Textile Corp Pty Ltd (1993) 42 FCR 227
- Ravenhead Brick Co Ltd v Ruabon Brick & Terra Cotta Co Ltd (1937) 54 RPC 341
- Reckitt & Colman Products Ltd v Borden Inc (1990) RPC 341
- Rheinliebling [1966] RPC 68
- Road Tech Computer Systems v Unison Software [1996] FSR 805
- SA Societe LTJ Diffusion v Sadas Vertbaudet SA [2003] FSR 608.
- Sabel BV v Puma AG C-251/95 [1998] RPC 199,
- SHARP OWL 2262413.
- Sizzler Restaurants Int'l Inc v Grater Seven Pty Ltd
- South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership) [2002] RPC 387
- Wagamama v City Centre Restaurants Plc (1995) 32 IPR 613

Representation

- Ms. Theresa O'Connor (Infinitus Law Corporation) for the Applicants
- Mr. Jeffrey Lim & Mr. Peter Low (Shooklin & Bok) for the Opponents