In A Matter Of A Trade Mark Application No. T02/00346Z By Pt Lea Sanent

And

Opposition Thereto By Levis Struass & Co.

Before Principal Assistant Registrar Mr. Kelvin Sum 15 December 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 for 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 application mark is identical with or similar to an earlier trade mark and is to be registered for goods or services which are dissimilar to those for which the earlier trade mark is protected – Section 8(3) 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 the Applicant's use of the Application Mark was in breach of copyright – Section 8(4)b of the Trade Marks Act 1998 [Cap.332]

The Applicants are an Indonesian company involved in the manufacture and sale of jeans and clothing,. They applied for registration of a trade mark "ORIGINAL LEA STORE & Device" in Class 25 in respect for "Jeans, clothing, shirts blouses" on 14 January 2002. The Applicant's mark consists of a blue pentagon in the background and a central portion with "LEA" printed on it. The Applicant's mark also bear the words "LEA" and "ORIGINAL STORE". The Applicants are also the registered proprietors of the trade marks (i) "lea" T74/61388D in class 25 for "ready made shirts, t-shirts, blouses and jeans" registered since 8 July 1974 and (ii) "Lea" T84/05015G in class 25 for "shoes, socks and briefs", registered since 25 September 1984. Their advertising expenses for the "Lea" mark in Singapore from the year 2001 to 2003 ranges from \$\$16,200 to \$\$958,000. The sales figures in Singapore for the goods bearing the "Lea" mark from 2001 to 2003 ranges from \$\$10,400 to \$\$648,300.

The Opponents are an American company involved in the design, manufacture and sale of jeans, casual wear and other apparel products, are the proprietors of the prior registered marks (i) "ORIGINAL LEVI'S STORE" & Device" [T95/04124C] and (ii) "ORIGINAL LEVI'S STORE & Device" [T95/03995H], both in Class 35 in respect of "Administrative and commercial management of retail stores for clothing". Their annual net sales figures for Levi's jeans in the Asia Pacific, including Singapore for the years 1998 to 2002 ranges from USD\$370 million to USD\$337 million. The Opponent's annual advertising and promotional expenses for Levi's jeans for the years 1998 to 2002 in Singapore ranges from USD\$6 million thereafter decreasing to USD\$1.5 million.

The Opponents argued that the Applicants mark was filed in bad faith under section 7(6) should not be registered as they are confusingly similar or identical to their marks under section 8(2)b and that the registration of the application mark would be contrary to the provisions of section 8(3) and to the law of passing off under section 8(4)a and that the use of the application mark constitutes copyright infringement under section 8(4)b of the Act.

Held, disallowing registration:

1. The shapes are visually similar, and the arrangement of the shapes and of the words are identical. The variances in shapes and the claimed distinctive devices do little to distinguish visually. The Applicant's goods are similar to the Opponent's services, both relate to the sale of jeans and related clothing bearing their respective trade marks. The visual similarity makes it highly likely that a person who does not have the benefit of the two marks side by side, and only has an imperfect recollection of the mark from the previous time that he has seen the Opponent's marks, will look upon the face of the Applicant's mark emblazoned across the shopfront and be mistaken into thinking that it was a shop belonging to the

Opponent. As the elements necessary for this ground of opposition to succeed under section 8(2b) are made out, the opposition succeeds under this ground.

- 2. On the evidence submitted for the "ORIGINAL LEVIS STORE" mark, it cannot be said that the Opponent's marks are well-known. This mark has only been in use since 1991. Further, there was no evidence of use dating before 1995. The sales and advertising figures for Singapore only commence from the year 1998. Even if the spill-over from the Opponent's "LEVIS" trade mark is taken into account, the sales figures still do not establish that the Opponent's "ORIGINAL LEVIS STORE" mark is a well-known mark. There is scant evidence of the registrations for the Opponent's "ORIGINAL LEVIS STORE" mark internationally. The Opponent has not discharged the burden of proving that their mark is well known. As the key element of this Section 8(3b) is that the Opponent's marks must be well-known marks, the opposition under this ground is unsuccessful.
- 3. The evidence of sales and use as a storefront sign, although not conclusive as to whether the mark is well known, is sufficient for a finding of that the mark has some form of goodwill or reputation. There is a likelihood of deception based on the same arguments on the likelihood of confusion. The deception arises when there is a high chance of confusion as to the origin of the goods. The Applicant and the Opponent are in such similar businesses that there is at least a likelihood of the Opponent suffering damage due to the subsequent registration of the Applicant's later mark. As all the necessary elements have been made out, the opposition under Section 8(4)(a) succeeds.
- 4. The Opponent's mark is an original artistic work. The Applicant had access to the Opponent's work the Opponent had emblazoned their marks on shopfronts across Singapore and the world, and the Applicant was in substantially the same industry, would have had opportunity to see or know of the Opponent's marks. There is a qualitative taking of all of the essential elements of the Opponent's complex mark the device bearing a brand name, the background, the use of the words "ORIGINAL" and "STORE" in an identical way, the use a colour scheme identical to the Opponent's marks. Further, there was no convincing evidence of independent creation that could have refuted any allegation of copying or access to works. The use of the Applicant's mark is liable to be prevented by virtue of the law of copyright because there is, on a balance of probabilities, a case of copyright infringement made out, and further where the Applicant does not have evidence or a legal defence against this allegation of copying, all the elements necessary in for the opposition under Section 8(4b) have been made out. The opposition under Section 8(4b) succeeds.
- 5. When bad faith is pleaded as a ground of opposition, there must be clear and sufficient evidence to make out the serious allegation of bad faith. The evidence that needs to be submitted to prove the fact of bad faith needs to be strong and unequivocal. The striking similarities between the Applicant's mark and the Opponent's mark alone cannot prove unacceptable commercial behaviour short of evidence of unacceptable commercial behaviour. The evidence does not support a finding of bad faith. The opposition based under Section 7(6) fails.

Provision of legislation discussed:

Trade Marks Act 1998 [Cap.332, Rev Ed.]] Sections 7(6), 8(2)b, 8(3), 8(4)a and 8(4)b.

Cases Referred to:

- Sabel v Puma [1998] RPC 199
- Muhammad Sarmad v Kentucky Fried Chicken [2004] Opposition Number 50844
- British Sugar PLC v James Robertson & Sons Ltd [1996] RPC 281
- Beauty Shop [1999] ETMR 20
- Re. Application by Woolsworth Ltd 42 IPR
- Reckitt & Colman Products Ltd v Borden Ltd Inc Ors [1990] 1 All ER 873
- Erven Warnink BV v J Townsend & Sons (Hull) Ltd [1979] AC 731
- WILD CHILD TM [1998] RPC 455
- CDL Hotels International Ltd v Pontiac Marina Pte Ltd [1998] 2 SLR 550
- Red Bull Pty Limited v Sdyneywide Distributors Pty Limited [2001] FCA 1228
- Re AUVI Trade Mark [1992] 1 SLR 639
- Flamelite (S) Pte Ltd & Ors v Lam Heng Chung & Ors [2001] 4 SLR 557
- Gromax Plasticature Ltd v Don & Low Nonwovens Ltd [1999] RPC 367
- Harrison's Trade Mark Application [2005] FSR 10
- Tesco Stores Ltd's Trade Mark Applications [2005] RPC 17
- In the matter of an application by JM Collective Pte Ltd to register a trade mark and Opposition by Perlini's Pte Ltd [2005] IPOS

Representation:

- Mr. Andy Leck and Mr. Gene Kwek (M/s Wong & Leow LLC) for the Opponents. Mr. Francis Ow (M/s Archilex Law Corporation) for the Applicants. •
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