

**IN THE HEARINGS & MEDIATION DIVISION OF
THE INTELLECTUAL PROPERTY OFFICE OF SINGAPORE
REPUBLIC OF SINGAPORE**

Registered Trade Mark Nos. T03/06306G and T03/06307E
8 September 2009

**IN THE MATTER OF REGISTERED TRADE MARK NOS T03/06306G &
T03/06307E
IN THE NAME OF
RAFFLES CORPORATE CONSULTANTS PTE LTD**

**AND
APPLICATIONS FOR DECLARATION OF INVALIDITY THEREOF BY
RAFFLES FINE ARTS AUCTIONEERS PTE LTD**

Hearing officer: Ms Sandy Widjaja
Principal Assistant Registrar of Trade Marks

Mr. Ung Gim Sei and Mr. Ow Shi Jack (Khattar Wong) for the Applicants
Ms. Yew Woon Chooi (Rodyk & Davidson LLP) for the Registered Proprietors

Cur Adv Vult

GROUNDINGS OF DECISION

On 30 April 2003, Raffles Corporate Consultants Pte Ltd (“Registered Proprietors”), had applied for the registration for two marks T03/06306G and T03/06307E comprising of the sole word “Raffles” in plain capital font (“Raffles Marks”) for classes 35 and 36 respectively. The services in class 35 comprise of “*secretarial services, book-keeping services and business management consultancy*” while the services in class 36 comprise of “*financial consultancy*”. The certificates for

registration for the respective marks were issued on 14 December 2004 and 6 October 2003 respectively.

2 Raffles Fine Arts Auctioneers Pte Ltd (“the Applicants”), filed applications for declaration of invalidity of the Raffles Marks on the basis that they had earlier rights via unregistered marks “Raffles” and “Raffles Fine Arts” (“Unregistered Marks”) used in relation to business consultancy and financial solutions (“Services”) such that the Raffles Marks would amount to passing off.

Chronology of the Matter

3 The Applicants filed their Applications for Declaration of Invalidity on 9 March 2007. The Registered Proprietors filed their Counter-Statements on 8 May 2007. The Applicants filed evidence in support of the applications for invalidation on 26 July 2007. The Registered Proprietors on the other hand filed evidence in support of the registrations on 25 January 2008. The Applicants filed their evidence in reply on 11 August 2008. The matters were fixed for Pre-Hearing Reviews on 1 September 2008 during which the applications for invalidations were consolidated for administrative ease. As there were ongoing negotiations, a Further Pre-Hearing Review was fixed for 13 November 2008. However, on 30 October 2008, the Applicants sought leave to file further evidence on the basis that the Applicants have found some documents (previously stored away when the Applicants moved office some time ago) which were relevant to the proceedings. Leave was granted for the filing of such further evidence on 13 November 2008 and the Further Pre-Hearing Review scheduled for the same date was vacated. On 13 December 2008, the Applicants filed their further evidence and on 20 March 2009, the Registered Proprietors filed their further evidence in reply. A Further Pre-Hearing Review was scheduled for 14 May 2009 during which both parties indicated that there was a stalemate in negotiations and that they intend to proceed to a full hearing for both matters. A hearing date was thus set down for 8 September 2009.

Preliminary Issue

4 A preliminary issue arose during the hearing as the Applicants had attached material documents to the Statements of Grounds. However, as the documents were not sworn under oath, they cannot be given much weight. The Registrar thus directed that the materials be sworn and admitted as evidence via supplemental statutory declarations. The Registered Proprietors objected to this, on the basis that the Applicants had ample opportunity to lodge the documents as evidence after the close of pleadings and before the evidence closed but they did not do so. The Registered Proprietors put their objections on record, asked for costs in any event and reserved their clients’ rights in relation to this issue. As the Registered Proprietors have been inconvenienced, costs were awarded to the Applicants, with the quantum to be taken into account during taxation. The Applicants were put on notice that only the materials as attached to the Statements of Grounds and no more were to be lodged via supplemental statutory declarations. The Applicants were given until 15 September 2009 to submit the supplemental statutory declarations and the Registered Proprietors were given two weeks

from the date of receipt of the supplemental statutory declarations to submit their evidence in reply. The Registrar also noted that if there was a need, a further hearing could be convened. The Applicants accordingly filed the supplemental statutory declarations on 15 September 2009. On 28 September 2009 the Registered Proprietors informed the Registrar and the Applicants that the Registered Proprietors would not be filing any evidence in reply. However, they submitted that in view that new evidence had been introduced, they would be lodging further submissions on the new evidence. The Applicants responded on 5 October 2009 that the Registered Proprietors in so doing had attempted to address the evidence in a manner not prescribed and that the Registered Proprietors were revisiting issues which have already been heard. On 8 October 2009, the Registered Proprietors responded that until the documents were submitted as evidence via statutory declarations, the Registered Proprietors had not considered them fully and thus should be allowed to make submissions on the materials. The Registered Proprietors stated that such filings of further submissions were within the directions of the Registrar since the purpose of allowing for a further possible hearing was to allow for any submissions, if necessary. The Registered Proprietors were of the view that there was no need for the Applicants to lodge any response since the submissions were merely responses to the materials thus lodged as evidence via supplemental statutory declarations by the Applicants. The Registrar considered the contents of the correspondences and on 13 October 2009 informed both parties that the Applicants' supplemental statutory declarations and the Registered Proprietors' further submissions will be dealt with in the Grounds of Decision which, in view of the sequence of events, will be issued within 3 months from the date of the last correspondence that is, 8 January 2010. Both the evidence and the Registered Proprietors' submissions on the evidence are dealt with accordingly as the issues arise in the course of this decision.

Grounds for Declaration of Invalidity

5 The Applicants rely on Section 23(3) read with Section 8(4) of the Trade Marks Act (Cap 332, 1999 Rev Ed) renumbered as Sections 23(3) and 8(7) of the Trade Marks Act (Cap 332, 2005 Rev Ed) ("Act") respectively, that is, that the use of the Raffles Marks by the Registered Proprietors is liable to be prevented by virtue of the law of passing off protecting the Applicants' Unregistered Marks used in the course of trade.

6 In their written submissions, the Registered Proprietors also made submissions in relation to Sections 9, 24 and 28(2) to support their case.

Applicants' Evidence

7 The Applicants' evidence was sworn by Mdm Lim Sew Yong ("Mdm Lim"), the Managing Director of the Applicants. Mdm Lim is the founder and has been the Managing Director of the Applicants since its commencement on 13 November 1992.

8 As per page 11 of the Supplemental Statutory Declaration (the Supplemental Statutory Declaration contains two sets of attachments relating to invalidations of the Raffles Marks respectively – as they are almost identical, references will only be made to

one set of attachments) filed by the Applicants dated 15 September 2009 (“Supplemental SD”), the Applicants were registered as at 13 November 1992 with the then Accounting & Corporate Regulatory Authority “ACRA”. In the same document, the activities of the Applicants are described as “auction – sale services” and “art galleries”. Pages 17 – 22 of the Supplemental SD include copies of the various posters utilized by the Applicants over the period 1993 – 1998 to promote its auctioneering services. Pages 23 – 27 of the Supplemental SD also includes several newspaper reports of auctions organized by the Applicants for the period 1993 – 1995 in “The Star” and “The Straits Times”.

9 Pages 28 – 30 of the Supplemental SD also include pictures of Mdm Lim at art fairs during various times (1992, 1994, 1997 and 2001) with senior government officials and business leaders.

10 Pages 31 – 36 of the Supplemental SD contain posters which show that the Applicants had advertised the Services from as early as 1995. The Applicants also tendered five separate Statutory Declarations (“SDs”) made by their clients to whom the Applicants claimed to have provided such Services between the period 1993 to 1995. The Applicants also, via the Applicants’ Statutory Declaration of 13 December 2008 (“SD of 13 December 2008”) provided a schedule of clients whom they have provided the Services. The Applicants also lodged, via the Applicants’ SD of 13 December 2008, copies of official receipts issued pursuant to such Services provided as well as bank statements wherein payments made by clients for such Services were banked in during the period 1993 - 2003.

11 Last but not least, the Applicants also referred to clauses in their Memorandum and Articles of Association (“M & A”) to drive home the point that the Services have been from the very beginning since its formation, an important part of the business activities of the Applicants.

Registered Proprietors’ Evidence

12 The Registered Proprietors’ evidence was declared by Mr Elango Subramaniam (“Mr Subramaniam”), the Director of the Registered Proprietors. Mr Subramaniam deposed in the Registered Proprietors’ Statutory Declaration of 25 January 2008 (“SD of 25 January 2008”), that the Raffles Marks were first used in Singapore on 5 September 1996 by the Registered Proprietors’ predecessor, Raffles Corporate Services which has since been terminated on 5 September 2003 (“RCS”). Mr Subramaniam also deposed that the Registered Proprietors and the companies and businesses within its group (“Raffles Group”) have all used the Raffles Marks since 5 September 1996 in relation to the services which they render, which include financial consultancy, secretarial services, book-keeping services and business management consultancy. The entities currently within the Raffles Group include: -

- (a) Raffles Corporate Services (as registered afresh on 26 January 2005);
- (b) Eshwara Management Consultants Pte Ltd;
- (c) Raffles Tax;

- (d) Raffles Secretarial;
- (e) Raffles Accounting Services; and
- (f) Raffles-ESA PAC.

These entities are owned directly or indirectly by the shareholders of the Registered Proprietors. The Registered Proprietors deposed that it is not possible to provide a breakdown of the turnover for the services with respect to class 35 and 36 respectively as the services are closely connected and thus often services under both classes are rendered at the same time with one bill being issued. The turnover figures for the services since 1997 are as follows:-

Year	Amount (S\$)
2006	1,969,221.00
2005	1,079,193.00
2004	916,581.00
2003	665,216.00
2002	558,674.00
2001	444,681.00
2000	34,226.00
1999	205,093.22
1998	Not available ¹
1997	10,000.00

13 Further, the advertising expenditure for promotion of the Raffles Marks since 2002 are as follows:-

Year	Amount (S\$)
2007	21,543.61
2006	4,034.80
2005	5,416.60
2004	11,877.50
2003	17,373.50
2002	11,635.79

Applicable Law and Burden of Proof

14 The applicable law is the Act and the burden of proof in an application for declaration of invalidity under the Act is as per paragraph 10-012 of ***Kerly's Law of Trade Marks and Trade Names 14th Edition*** ("*Kerly's*"):-

"...if an application is made for a declaration of invalidity...the onus lies on the person making the attack to prove the grounds of invalidity...relied upon to the normal civil standard of the balance of probabilities."

¹ Business suspended due to partnership dispute.

Applicants' submissions

Goodwill

15 The Applicants submitted that goodwill exists in the Applicants' Unregistered Marks amongst actual and potential customers of the Applicants for both their businesses in (i) fine arts; and (ii) the Services. The Applicants submitted that they commenced use of the Unregistered Marks when they were incorporated on 13 November 1992 and that the Unregistered Marks have been used on all of the advertising materials and stationeries of the Applicants.

16 The Applicants submitted that the Unregistered Marks of the Applicants could be considered to be inherently distinctive in so far as none of the words contained in the Unregistered Marks are capable of describing the Services. The Applicants submitted that even if inherent distinctiveness of the Unregistered Marks is absent, the Unregistered Marks clearly have acquired distinctiveness through extensive trade use with respect to the Services from 1993 until today.

17 The Applicants sought to attack the Registered Proprietors' reliance on its predecessor, RCS for the date of first use of the Raffles Marks that is, 5 September 1996 as follows:-

(i) the principal activities of RCS was "real estate agents including appraisers, valuers and rental service" and "stenographic and secretarial services" (page 7 of the Registered Proprietors' SD of 25 January 2008). The Applicants also submitted that none of the seven invoices issued by RCS as per the Registered Proprietors' SD of 25 January 2008 evidenced the provision of any management services;

(ii) RCS was a separate legal entity from the Registered Proprietors.

The Applicants thus submitted that evidence relating to use by RCS should be disregarded.

18 The Applicants submitted that they started providing the Services in 1993 which pre-dated any similar services offered by the Registered Proprietors:-

(i) the Registered Proprietors' predecessor in business started providing services similar to those registered under classes 35 and 36 for the Raffles Marks only from 5 September 1996. The Applicants handled thirty four cases involving the Services for a total billing of nearly a quarter of a million Singapore dollars from 1993 – 2003 as follows:-

Year	Cases transacted
1993	5

1994	5
1995	4
1996	6
1997	2
1998	1
1999	4
2000	2
2001	1
2002	1
2003	3
Total	34

(ii) the Registered Proprietors applied for the registration of the Raffles Marks in classes 35 and 36 only on 30 April 2003. Under the Registered Proprietors' SD of 25 January 2008, the first invoice that is relevant to the provision of management services was issued on 31 July 2001, which is about eight years after the Applicants commenced their business in the same area. The Applicants submitted that the Applicants commenced financial consultancy services as early as 1994, in the instance of Mdm Gui Fang Zhou ("Mdm Zhou") (see pages 12 – 18 of the Applicants' Statutory Declaration of 26 July 2007 ("SD of 26 July 2007")). In contrast, for the Registered Proprietors, the first invoice of a nature close to financial consultancy was issued on 29 December 2003 in relation to proof of debts of their clients to the official assignee (page 83 of the Registered Proprietors' SD of 25 January 2008).

19 With respect to the nature of goodwill, the Applicants submitted that:-

(i) whether the Services provided are incidental to its dealings in fine arts is irrelevant as the Applicants have demonstrated that goodwill was generated through trading in such Services. The Applicants referred to the case of *Novelty Pte Ltd v Amanresorts Ltd and Another* [2009] SGCA 13 ("*Amanresorts Decision*") for the proposition that "*goodwill is not an all-or-nothing attribute...goodwill can be limited to particular sections of the public. These sections of the public can be small so long as they are not negligible.*";

(ii) the Applicants also referred to Christopher Wadlow in *The Law of Passing-Off: Unfair Competition by Misrepresentation* (Sweet & Maxwell, 3rd Ed, 2004) ("*Wadlow*") that goodwill can be established if "*the claimant can prove more than a trivial number of customers*" (at page 160) and that "*the claimant derived income for provisions of the services*" (at page 119) and that more importantly, that the "goods and services" are sold in open market to the public (see *Anheuser-Busch Inc v Budejovicky Budvar NP* [1984] FSR 413 at 470). Last but not least, the Applicant quoted *Wadlow* that "*slight trading activities will suffice*" (at page 145-146). The Applicants also referred to *Harrods Ltd v R Harrod Ltd* (1923) 41 RPC 74 where the claimant department store succeeded in preventing the defendants from using their name for a money lending business when the claimant did have a small banking section but did not lend money. An injunction was awarded by the English Court of Appeal against the defendant.

20 In response to the Registered Proprietors' comments (at several junctures) that there were no tax invoices rendered for the Services provided, the Applicants submitted that despite a lack of such documentation, the Applicants have exhibited receipts and bank statements and that such documentation showed that income was received by the Applicants through the provision of the Services and that such income was taxed. The Applicants emphasized that the amount of sales volume is not negligible (see above) and thus concluded that the Applicants have acquired the necessary goodwill for the Services.

21 The Applicants emphasized that the Applicants had intended to carry on the business of management consultancy alongside their business in fine arts since their incorporation. In support of this, the Applicants referred to clause 3 of the Applicants' M & A (pages 14 – 49 of the Applicants' Statutory Declaration of 11 August 2008 ("SD of 11 August 2008")) which relates to the objectives of the Applicants. The Applicants referred the Registrar to, in particular, paragraphs 3(14), (16) and (18) which state that the objectives of the Applicants include taking part in the formation of any company, acting as agents and entering into arrangements for profit sharing respectively.

22 The Applicants also referred to several of its publicity material (pages 35 and 36 of the Statements of Grounds respectively replicated as pages 33 and 34 of the Supplemental SD (thereafter corresponding references in the Supplemental SD will be used for references made to attachments to the Statements of Grounds). In relation to the leaflet on page 33, the Applicants pointed that only item 4 "investment and management of arts item" relates to the arts. With respect to the leaflet at page 34 of the Supplemental SD, the Applicants referred to Part B of the leaflet entitled "Business Management and Consultancy Services" to draw home the point that they have been providing such management consultancy services since their incorporation. The Applicants submitted that publicity for the Services is created through distribution of the leaflets during art exhibitions, talks after such exhibitions as well as through word of mouth.

23 The Applicants proceeded to expound on the Services rendered to their clients throughout the years with reference to the table on page 4 of the Applicants' SD of 13 December 2008:-

No.	Client	Type of service
1	Yeo Toon Miang	Advice as to the development of seafood business in China
2	Lim Hock Ann	Advice as to best supply of toys and small items in China
3	Cheong In Leng	Advice as to the type of business to start in Singapore, including how to set up such (antique furniture) business as well as to the target market for such business
4	Fu Wei Min	Advice as to used mobile phones market in China
5	Li Shi Yi	Advice as to how to set up a eating house business in Singapore
6	Du Jiancheng	Advice as to the business operation model as well as management of a supermarket chain in China

7	T.K. Iskandar	Advice as to business development (calendar and diaries printing) in China
8	Liu Shi Fen	Sourced for an Indonesian partner for her to invest in coal mine and natural gas in Indonesia
9	Li Kun Yu	Advice as to how to relocate to Singapore. Also advised him to study the way a fast food business is run in Singapore
10	Halim Suiadai	Advise as to retirement plans in Singapore

24 Last but not least, the Applicants averred that the parties need not be in mutual competition or be engaged in similar fields of business activities for passing off to succeed. Where there exists a common field of activity and the parties are in competition with each other the case for passing off is strengthened as approved by *CDL Hotels International Ltd v Pontiac Marina Pte Ltd* [1998] 2 SLR 550 at paragraphs 63 – 66.

Misrepresentation

25 The Applicants submitted that the use of the Raffles Marks by the Registered Proprietors constitutes a misrepresentation that:-

- (i) the services provided by the Registered Proprietors share the same source as the Services; or
- (ii) the Services are connected to the Registered Proprietors’ services.

26 The Applicants submitted that the word “Raffles” is commonly used as a trade mark by many proprietors in Singapore for various types of goods and services. Thus the manner in which a mark which contains “Raffles” is presented and whether it is presented to a similar segment of the public will be critical in differentiating one proprietor from another and goes towards reducing any risk of confusion.

27 The Applicants referred to the different versions of the Raffles Marks used by the Registered Proprietors (below) and submitted that use of such marks whether international or otherwise is likely to cause confusion:-

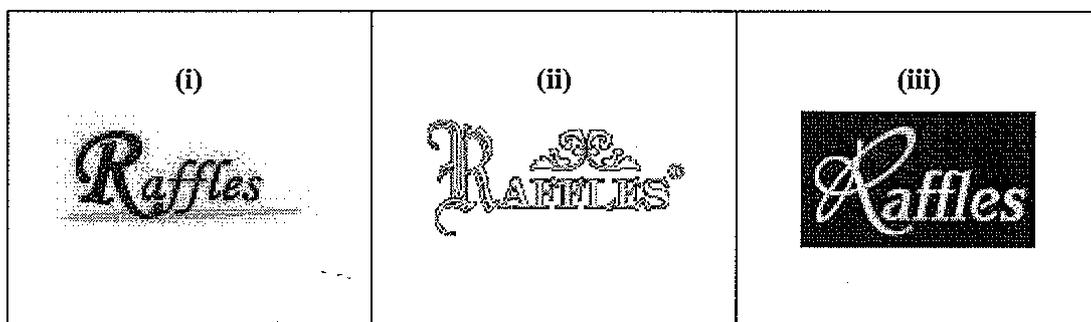


Table A

28 The Applicants referred to the Registered Proprietors' homepage where mark A(i) above is portrayed and submitted that it is this mark which is most visually similar to the Applicants' Unregistered Marks. The Applicants submitted that this presentation on the homepage is likely to cause the public to associate the services of the Registered Proprietors to that of the Applicants, the foreseeable consequence of which is confusion which leads to damage to the business of the Applicants (*Reckitt & Colman Products Limited v Borden Inc.* [1990] RPC 341 at 408 – 410 and *Sir Robert McAlpine Ltd. V Alfred McAlpine Plc* [2004] RPC 36 (“*McAlpine case*”) at paragraphs 33 – 36). The Applicants also sought to draw an analogy to *Phones 4U Ltd v Phone4u.co.uk Internet Ltd* [2007] RPC 5. In this case, the claimant owned a chain of shops “Phones 4U” which sold mobile phones. Its domain name is “phones4u.co.uk”. The defendant operated a website “phone4u.co.uk”. There were considerable people that sought to contact the claimant through the defendant’s website. Once the customer was on the site, the defendant will offer to sell phones to the customer while at the same time stating that he is not connected to the claimant. Despite this disclaimer, the Court of Appeal found that customers were being deceived into contacting the defendants’ website under the mistaken belief that the businesses were connected. Once a customer was there, the defendant took advantage of this initial deception. Thus the claimant’s trade and goodwill would be damaged and passing off made out. The Applicants further submitted that it is the more knowledgeable customers (in the current case businessmen and women) who would be making the connection between the two marks since only such customers would be aware of the marks, citing the case of *Ravenhead Brick Co Ltd v Ruabon Brick & Terra Cotta Co Ltd* (1937) 54 RPC 341 for this proposition.

29 The Applicants submitted that use of the Raffles Marks in the provision of identical services suggests association between the Applicants and the Registered Proprietors. The Applicants submitted that taking into consideration the visual, aural and conceptual similarity of the marks (in the context of provision of identical services), the likelihood of confusion that the Applicants are part of the Registered Proprietors’ group is increased. The Applicants submitted that since many people are using the “Raffles” mark, the Registered Proprietors are expected to be more careful in the adoption of variants of the Raffles Marks but this has not been done.

30 The Applicants referred to paragraph 92 of the *Amanresorts Decision* for the proposition that the fact that the public need to make further investigation is further proof of confusion. The Applicants also referred to the *McAlphine case* for the proposition that the creation of association is sufficient for the purposes of misrepresentation. The Applicants alluded to paragraph 8 of the Counter-Statement wherein the Registered Proprietors stated “To the extent that the Registered Proprietors’ and the Applicants’ marks both consist of the word RAFFLES, it is admitted that confusion will arise.” The Applicants concluded that while the Applicants do not have evidence of actual confusion, the *Amanresorts Decision* observed that there is no need for actual evidence of confusion although having such evidence would be helpful.

31 The Applicants submitted that the actual and potential target audience of the Registered Proprietors and the Applicants are the same, which is namely individuals and

small and medium sized enterprises (“SMEs”) in the Asia Pacific region. The Applicants also submitted that the Applicants and the Registered Proprietors share a similar approach in relation of business expansion in the Asian region and that this similarity reinforces the likelihood of confusion.

32 The Applicants also submitted that the misrepresentation by the Registered Proprietors is broadcast to the public at large via the internet, newspapers as well as distribution of corporate brochures, quoting paragraph 76 of the *Amanresort Decision* for this proposition.

33 In relation to the likelihood of confusion, the Applicants referred to *Sabel BV v Puma AG [1998] RPC 199* at page 224, for the following principles:-

- (i) that the likelihood of confusion is to be appreciated globally, based on the overall impression of the marks;
- (ii) that the perception of marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global appreciation of the likelihood of confusion; and
- (iii) that the more distinctive the earlier mark the greater will be the likelihood of confusion.

34 Applying the above principles, the Applicants submitted that based on the wide reach of the material representation by the Registered Proprietors, a reasonable member of the relevant section of the public (being the actual and potential customers of the Applicants) is likely to be confused by the misrepresentation of the Registered Proprietors as:-

- (i) the Applicants’ Unregistered Marks are inherently distinctive or have acquired distinctiveness through use (see above);
- (ii) the Registered Proprietors had used “Raffles” which was identical to the name used by the Applicants. Any difference between the Applicants’ Unregistered Marks and the permutations of the Registered Marks is hardly discernible (see above);
- (iii) the Registered Proprietors engage in similar services namely “secretarial services, book-keeping services, business management consultancy” registered in Class 35 and “financial consultancy” registered in Class 36 to that provided by the Applicants. The Applicants submitted that there exists a reasonable common field of activity and the parties can be considered to be competing with each other such that it makes it more likely that confusion will occur and thus damage. For this proposition, the Applicants referred to *Lego Systems Aktieselskab v Lego M Lemelstrich Ltd [1983] FSR 155* and *Wadlow* at pages 248 and 249.

Damage

35 The Applicants submitted that it is sufficient for the Applicants to demonstrate that there is a likelihood of damage to their goodwill in respect of that trade or business instead of having to prove actual damage in order to succeed in an action for passing off. The Applicants referred to ***Nation Fitting (M) Sdn Bhd v Oystertec Plc [2006] 1 SLR 712*** where Phang J (as he then was) observed that while proof of actual damage is not a pre-requisite, more than a mere likelihood of loss has to be proved and that proof of damage must be established as a matter of probability and not mere possibility.

36 The Applicants also submitted that there is a likelihood of blurring between the Services and those provided by the Registered Proprietors bringing about a diversion of sales from the Applicants to the Registered Proprietors. The Applicants referred to the observations made by VK Rajah JA in the ***Amanresort Decision***:-

“Blurring occurs when the plaintiff’s get-up, instead of being indicative of only the plaintiff’s goods, services or business, also becomes indicative of the defendant’s goods, services or business. While customers may still be drawn by the attractive force of the plaintiff’s get-up, they may be drawn to the business, goods or services of the defendant instead of those of the plaintiff. In other words, the goodwill attached to the plaintiff’s business, goods or services becomes spread out over business, goods or services which are not the plaintiff’s. This phenomenon occurs only when the business, goods or services of the plaintiff and those of the defendant are in competition with or are at least substitutes for each other. The damage manifests itself in sales being diverted from the plaintiff to the defendant.”

37 The Applicants concluded that in view of blurring, the goodwill of the Applicants will be depreciated. The Applicants submitted that the Applicants will lose control of their goodwill unless the Raffles Marks are removed and that with substantial goodwill built up over the years, substantial damage will result.

38 The Applicants referred to ***Brestian v Try [1958] RPC 161*** for the proposition that distance may in some instances result in a likelihood of confusion or deception although it is a question of fact depending on the circumstances of the case. The Applicants submitted that the distances in terms of both geography and business areas of the Applicants and the Registered Proprietors are close as Singapore is a small country and further that the distances are greatly shortened today by the prevalent use of the Internet. Thus, when “Raffles” is used by both the Applicants and the Registered Proprietors, actual or potential customers might go to either the Applicants or the Registered Proprietors for the purposes of seeking business consultancy and financial solutions.

39 The Applicants referred to the case of ***Tong Guan Food Products Pte Ltd v Hoe Huat Hng Foodstuff Pte Ltd [1991] SLR 133*** for the following proposition:-

“If the goods in question are in direct competition with one another, the court will readily infer the likelihood of damage to the plaintiff’s goodwill, not merely through loss of sales but also through loss of the exclusive use of his name or mark in relation to the particular goods or business concerned.”.

The Applicants submitted that as the Applicants have considerable goodwill for both dealings in the fine arts as well as for the Services, it would not be inconceivable that an inference with regard to the likelihood of damage may affect not just the loss of sales for the Services but possibly also the exclusive use of the Unregistered Marks with respect to dealings in fine arts.

40 The Applicants also referred to the *Amanresort Decision* for following proposition:-

“[A] plaintiff who has established goodwill in one form of commercial activity (“the established activity”) may be entitled to protection from passing off vis-à-vis another form of commercial activity which is a natural expansion of the first (“the extended activity”).”.

Applying the above to the current case, the Applicants submitted that a close connection exists between the Services and the activities of “secretarial services” and “book-keeping services” as companies may require additional services to assist in the day to day running of their businesses. The Applicants submitted that they may therefore wish to expand into such services as a natural extension of the Services. The Applicants also referred to *Chelsea Man Menswear Limited v Chelsea Girl Limited and Another [1987] RPC 189* (“*Chelsea case*”) where the English Court of Appeal held that a plaintiff who has established a cause of action in passing off can obtain relief by way of injunction extending beyond the boundaries of the particular areas in which he has proved the existence of his reputation and goodwill. The Applicants concluded that if the Raffles Marks are allowed to remain on the Register, this would prejudice any future commercial plans of the Applicants.

41 In conclusion, the Applicants submitted that in the absence of invalidation of the Raffles Marks, substantial confusion is likely to continue and that there exists a real likelihood of damage in terms of blurring as well as a restriction of the Applicants’ potential business expansion areas such that the potential loss of goodwill justifies protection under the trade marks regime.

42 The Applicants adopted the words of Slade LJ in the *Chelsea case*:-

“It would appear that [the defendants], like the plaintiffs, have been acting within what they conceive to be their legal rights. They may perhaps be justified in considering themselves unlucky that the plaintiff’s prior use of the business name and mark [“Raffles”] has enabled them to acquire a prior reputation sufficient effectively exclude the defendants from its use...”.

43 The Applicants in closing submitted that in light of all of the above, it is prayed that the registrations of the Registered Marks be declared invalid under Section 23 on the ground that there is an earlier right in relation to which the condition set out in Section 8(7) is satisfied, respectively. The Applicants also prayed for costs and such other relief as the Registrar deems fit.

44 In relation to the Registered Proprietors' submissions with regards to Section 24, the Registered Proprietors submitted that the 5-year period is to be calculated from the date of application for registration, which in this case is 30 April 2003 (respectively) for the Registered Marks. The Applicants referred to the English cases of *Sunrider Corporation (t/a Sunrider International) v VITASOY International Holdings Ltd* [2007] RPC 641 ("*Sunrider*") and *Anheuser-Busch Inc v Budejovicky Budvar Narodni Podnik* [2008] All ER (D) 274 (Feb) ("*Anheuser-Busch*") which relate to the interpretation of the English equivalent of Section 24. The Applicants submitted that the two cases support the interpretation that "use of a registered mark" in the English equivalent of Section 24 refers to use of a mark which is actually registered at the time of such use. The Applicants thus submitted that following the above interpretation, the 5-year period starts from 30 April 2003 and ends 29 April 2008. Since the date of the invalidation actions were 9 March 2007, Section 24 is not applicable to the respective cases.

Registered Proprietors' submissions

45 The Registered Proprietors submitted that they and their predecessors in business have used the Raffles Marks since 5 September 1996. The various entities of the Raffles Group are as follows:-

Entity	ACRA Registration No.	Registration Date	Business Activity	Comments
Raffles Corporate Services	52829063X	5 Sept 1996	Real Estate Agents, Stenographic and Secretarial Services	The Registered Proprietors were the sole owner of this business prior to its termination on 5 Sept 2003
Raffles Corporate Consultants Pte Ltd (<i>the Registered Proprietors</i>)	200000988W	4 Feb 2000	Business Management and Consultancy Services, Secretarial Services	
Raffles	53037566D	26 Jan 2005	Business	The Registered

Corporate Services			Management and Consultancy Services	Proprietors are the sole owner of this business
Raffles Secretarial	53068435K	16 May 2006	Stenographic and Secretarial Services	The business is wholly owned by Eshwara Management Consultants Pte Ltd
Raffles-ESA PAC	200608709K	14 Jun 2006	Accounting and Auditing Services	This business is owned by shareholders of the Registered Proprietors
Raffles Accounting Services	22346100L	Registered on 13 Dec 1976; name change effective 26 Dec 2006	Accounting and Auditing Services	This business is wholly owned by the Registered Proprietors, Eshwara Management Consultants Pte Ltd and two individual shareholders one of which (Elango Subramaniam) is the shareholder of the latter two entities
Eshwara Management Consultants Pte Ltd	198304152N	26 Aug 1983	Business Management and Consultancy	This business and the Registered Proprietors have common shareholders
Raffles Tax	53083111B	22 Dec 2006	Accounting and Auditing Services	This business is wholly owned by Eshwara Management Consultants Pte Ltd

46 The Registered Proprietors submitted that as per the ACRA Instant Information for the Applicants (page 322 of the Registered Proprietors' SD of 25 January 2008), the business activities of the Applicants as stated in the ACRA document include "auction-sale services, art galleries". The Registered Proprietors submitted, (in response to the Applicants' submission in relation to the M & A of the Applicants (see above)) that it is common for M & As of companies to be worded broadly to cover as many different types of services as possible so that the companies can engage in such services should they decide to do so. To illustrate this point, the Registered Proprietors referred to paragraph 3(6) of the Applicants' M & A (page 15 of the Applicants' SD of 11 August 2008) which relates to the carrying on of the business of publishers. The Registered Proprietors also referred to paragraph 3(7) which relates to the improvement, management or development of property. The Registered Proprietors submitted that in order to ascertain what a particular company sets out to do it is necessary to look at the ACRA report instead of the M & A of a company.

47 The Registered Proprietors submitted that since 5 September 1996 (the date that the Registered Proprietors and their predecessors first used the Raffles Marks) till the present (thirteen years), the Applicants have not taken any action to stop the Registered Proprietors from using the Raffles Marks. The Applicants have only now taken out the current proceedings to invalidate the Raffles Marks.

48 The Registered Proprietors submitted that in an action for a declaration for invalidity, the burden of proof lies on the person making the attack to prove the grounds of invalidity relied on to the normal civil standard of the balance of probabilities as per paragraphs 10-012 to 10-014 of *Kerly's*.

49 The Registered Proprietors submitted that the relevant date for determining whether the use of the Raffles Marks is liable to be prevented by virtue of the law of passing off (under Section 8(7) of the Act) is the date of first use of the Raffles Marks by the Registered Proprietors' predecessor in business as per paragraph 9-140 of *Kerly's*. Therefore, the Registered Proprietors submitted that the relevant date is 5 September 1996 respectively for the Raffles Marks.

50 The Registered Proprietors submitted that the relevant elements for passing off are those as stated by Mr Geoffrey Hobbs Q.C. in the case of ***WILD CHILD TM [1998] RPC 445 ("WILD CHILD")*** (see below). The Registered Proprietors also emphasized the need to prove each and every element in order to succeed in an action for passing off.

Goodwill

51 In relation to goodwill, the Registered Proprietors submitted that the Applicants' business as recorded with ACRA is "art galleries and auction sale services" (see above). The Registered Proprietors submitted that the Applicants' corporate name, "Raffles Fine Arts Auctioneers" reflects this nature of the Applicants' business. The Registered Proprietors submitted that whatever goodwill the Applicants have, the goodwill is limited to:-

- (i) the particular field of business which the Applicants are engaged in which is art galleries and auction sale services; and
- (ii) the full name “Raffles Fine Arts Auctioneers”.

52 The Registered Proprietors submitted that while it is not disputed that the Applicants carry on business in the field of fine arts and auction sales, the evidence does not show that the Applicants have any sustained business in the area of financial consultancy. The Registered Proprietors submitted that the Applicants do not have goodwill in the area of the Services as of the date when the Registered Proprietors’ group of companies started business.

53 The Registered Proprietors submitted on the evidence lodged by the Applicants as follows:-

(i) there were declarations by five individuals claiming that the Applicants have rendered business advice to them (pages 13 to 54 of the Applicants’ SD of 26 July 2007) however no invoice was produced to show that the services were rendered prior to the relevant date of 5 September 1996 so as to support the Applicants’ claim to goodwill. There was no evidence that the advice was rendered in the course of business. The Registered Proprietors also noted that these five individuals appear to be related to the arts field.

(ii) There were letters from the Applicants to their clients (pages 51 and 53 of the Applicants’ SD of 11 August 2008) and these letters (2 April 2007 and 20 September 2002 respectively) post date the relevant date of 5 September 1996 and should be disregarded. The Registered Proprietors again submitted that no invoice was lodged to show that the services were in fact rendered in the course of business.

(iii) The appointment of EFMC International Inc (“EFMC”) as a partner in 2003 (pages 54 to 104 of the Applicants’ SD of 11 August 2008) post dated the relevant date of 5 September 1996 and should be disregarded.

(iv) Letters and official receipts (pages 106 to 118 of the Applicants’ SD of 11 August 2008) point to activities which post dated the relevant date of 5 September 1996. The Registered Proprietors also submitted that the official receipts do not state what services were rendered in consideration for the payment received and thus cannot be good evidence that the Applicants have rendered the Services. The Registered Proprietors also further submitted that pages 111 to 118 of the Applicants’ SD of 11 August 2008 indicated that the Applicants act as a go-between to procure financial advice from EFMC for the Applicants’ clients and that the Applicants do not appear to have rendered any such service.

(v) There were bare statements from Mdm Lim in the Applicants’ SD of 13 December 2008 that the Applicants have been involved in thirty four transactions

whereby the Applicants had rendered the Services to their clients (page 1 of the Applicants' SD of 13 December 2008), however, these claims were again not supported by invoices. The Registered Proprietors submitted that it is strange that the Applicants were able to recall in detail what services were rendered and provided copies of bank statements and official receipts (pages 10 – 64 of the Applicants' SD of 13 December 2008) and yet were not able to produce a single invoice showing that they have in fact rendered such services.

54 The Registered Proprietors drew the Registrar's attention to the fact that the Applicants have not lodged a single tax invoice to show that they provide any Services despite having lodged three statutory declarations. The Registered Proprietors invited the Registrar to draw the inference that the Applicants do not provide such Services in the course of their business and thus any goodwill which the Applicants have in their name do not extend to these areas of activities which the Registered Proprietors are engaged in.

55 The Registered Proprietors made reference to page 325 of the Registered Proprietors' SD of 25 January 2008 wherein an ACRA Integrated Business Information showed that "Raffles Management Pte Ltd" (whose shareholders are also the shareholders of the Applicants) was incorporated on 23 June 2003 and pointed that this date post dates the relevant date of 5 September 1996 and the date of application for the Raffles Marks by the Registered Proprietors. The Registered Proprietors submitted that this evidence points to the fact that the Applicants did not provide the Services in the course of business until 23 June 2003 when it incorporated "Raffles Management Pte Ltd". The Registered Proprietors submitted that this explains why the Applicants were unable to produce a single tax invoice in support of their claim that they have rendered such Services.

56 The Registered Proprietors submitted that even if the Applicants' evidence was found to be sufficient to establish that it has been engaged in the business of providing such Services, the Registered Proprietors submitted that the number of business transactions is so low (thirty-four transactions over a ten-year period) that it is not sufficient to establish goodwill especially in view of that fact that there are numerous other businesses (besides the Registered Proprietors) which use "Raffles" as part of their name. In this regard the Registered Proprietors referred to the case of *N.V. Sumatra Tobacco Trading Company v Reemsta Cigarettenfabriken GMBH* [2006] SGIPOS 1 wherein it was held that the low sale figures of the Opponents' cigarettes in a one year period was too low for the Opponents to claim any sort of substantial goodwill that is necessary to satisfy the elements of passing off and submitted that in the present case the Applicants' low number of transactions would similarly not be sufficient to establish any goodwill that is necessary to satisfy the elements of passing off.

57 The Registered Proprietors submitted that the evidence lodged by the Applicants show a consistent use "Raffles Fine Arts Auctioneers" in their publicity materials (pages 17 to 22 and 35 of the Supplemental SD). The Registered Proprietors also submitted that newspaper reports also refer to the Applicants by the full name "Raffles Fine Arts Auctioneers" (pages 23 to 27 of the Supplemental SD). The Registered Proprietors thus

submit that any goodwill which the Applicants have must be limited to the full name “Raffles Fine Arts Auctioneers” and not “Raffles” alone. The Registered Proprietors also submitted that as “Raffles” is a popular name in Singapore (being the name of Singapore’s founder) and many businesses use “Raffles” as part of their name, the Applicants cannot claim to have exclusive goodwill over “Raffles” so as to be able to restrain all other traders from using a name incorporating “Raffles”.

58 The Registered Proprietors submitted that unlike the Registered Proprietors who have been consistently using “Raffles” on its own (pages 48 - 60 of the Supplemental SD and pages 288 to 320 of the Registered Proprietors’ SD of 25 January 2008) the Applicants have been consistently using “Raffles Fine Arts Auctioneers”.

59 The Registered Proprietors reiterated that the Applicants’ goodwill must be limited to the full name “Raffles Fine Arts Auctioneers” as that is the name they use in promoting themselves and the name by which they are known. The Registered Proprietors submitted that there is no evidence that they are known by “Raffles” per se.

Misrepresentation

60 In relation to misrepresentation, the Registered Proprietors referred to ***AG Spalding & Bros v. AW Gamage Ltd* [1915] 32 RPC 273** for the following proposition:-

“...the basis of a passing off action being a false representation by the defendant, it must be proved in each case as a fact that the false representation was made. It may, of course, have been made in express words, but cases of express misrepresentation of this sort are rare. The more common case is, where the representation is implied in the use or imitation of a mark, trade name or get-up with which the goods of another are associated in the minds of the public or a particular class of the public. In such cases the point to be decided is whether, having regard to all the circumstances of the case, the use by the defendant in connection with the goods of the mark, name or get-up in question impliedly represents such goods to be the goods of the plaintiff, or the goods of the plaintiff of a particular class or quality, or, as it is sometimes put, whether the defendant’s use of such mark, name, or get-up is calculated to deceive.”.

61 The Registered Proprietors submitted that they are the bona fide proprietors of the Raffles Marks and have been using them since 5 September 1996. The Registered Proprietors submitted that they use the Raffles Marks in a variety of styles (page 48 of the Supplemental SD) but that none of them resembles the manner in which the Applicants use “Raffles Fine Arts Auctioneers” (page 17 to 36 of the Supplemental SD).

62 The Registered Proprietors submitted that they are engaged in the area of business management and financial consultancy whereas the Applicants are engaged in the area of fine arts. The Registered Proprietors also submitted that there is no evidence that the Registered Proprietors have misrepresented themselves as being associated with the Applicants.

63 The Registered Proprietors submitted that as the parties are in different fields of activity, and considering the fact that “Raffles” is a name commonly used by many others in Singapore, the likelihood of the public being confused by the use of the Raffles Marks by the Registered Proprietors is remote. The Registered Proprietors submitted that the Applicants have failed to show any instances of actual confusion arising from the Registered Proprietors’ use and registration of the Raffles Marks.

Damage

64 In relation to damage, the Registered Proprietors referred to *Society of Motor Manufacturers & Traders Ltd v. Motor Manufacturers’ & Traders’ Mutual Insurance Co Ltd* [1925] Ch 675:-

“Damage or likelihood of damage to property is the gist of all such actions and, unless a plaintiff can prove that his credit or business reputation has suffered damage or that there is a tangible risk or probability that his credit or business reputation suffering damage, no action will lie.”.

65 The Registered Proprietors submitted that in the present case, the Applicants have failed to show that they have suffered any actual damage from the Registered Proprietors’ use and registration of the Raffles Marks notwithstanding that the Registered Proprietors had used the Raffles Marks since 1996.

66 The Registered Proprietors submitted that the Applicants have not taken out any action to stop the Registered Proprietors from using the Raffles Marks and the Registered Proprietors and their group of companies have been using the Raffles Marks since 5 September 1996. Thus the Registered Proprietors submitted that the inference is that the use of the Raffles Marks by the Registered Proprietors has not caused the Applicants any damage in view of the totally different fields of activity.

67 The Registered Proprietors then alluded to several provisions under the heading “Defences” in their submissions. In response to the Applicants’ submission that Sections 9 and 28(2) are not defences to an action under Section 23 and that both sections are not applicable in this instance, the Registered Proprietors clarified that these provisions are referred to in order to bring home the point that the Unregistered Marks can co-exist with the Raffles Marks.

68 The Registered Proprietors referred to Section 9 of the Act which relates to honest concurrent use. The Registered Proprietors submitted that registration of the mark T03/06306 (one of the Raffles Marks in class 35) was based on honest concurrent use. The Registered Proprietors thus submitted that if the Applicants are honestly using their name, they would also be able to register the Unregistered Marks based on Section 9 of the Act despite the existence of the Raffles Marks.

69 The Registered Proprietors also referred to Section 28(2) of the Act and submitted that if indeed the Applicants have been using “Raffles Fine Arts Auctioneers” prior to the

date of application for the Raffles Marks (30 April 2003), for services which are similar to those for which the Raffles Marks are registered, the Applicants may continue to use their name without infringing the Raffles Marks. The Registered Proprietors concluded that the continued registration of the Raffles Marks thus do not prejudice the Applicants in anyway.

70 Importantly, the Registered Proprietors referred to Section 24 of the Act. The Registered Proprietors submitted that the period of 5 years is calculated from the date of use of a mark (whether or not the mark is registered as at the time of such use, although the mark must be registered as at the point of application of the provision) and not the date of application of a trade mark or date of completion of the registration procedure for a registered trade mark. Thus the Registered Proprietors submitted that the 5-year period is to be calculated from 5 September 1996. The Registered Proprietors submitted that if the draftsman had intended the 5-year period to be calculated from the date of application of a trade mark / from the date of completion of the registration procedure for a registered trade mark, the draftsman would have drafted as such. The Registered Proprietors referred to Sections 22(1) and 23(6) and (7) as examples where the draftsman referred explicitly to the completion of the registration procedure for purposes of calculation of time periods. The Registered Proprietors submitted that the Applicants must have been aware of the use of the Raffles Marks by the Registered Proprietors if the Applicants are in the same field of activity as Singapore is a small country and the Registered Proprietors and their group of companies publicly promote the use of Raffles Marks.

71 In view of all the above, the Registered Proprietors asked that the invalidation proceedings be dismissed with costs.

72 In relation to the English cases of *Sunrider* and *Anheuser-Busch*, the Registered Proprietors submitted that the cases are not binding on the Registrar and that if the Registrar follows the interpretation of the cases, the Registrar would be going against the clear wordings of the Act. The Registered Proprietors submitted that there is todate no local decisions in relation to the interpretation of Section 24 and *Future Enterprises Pte Ltd v McDonald's Corp* [2007] SGCA 18 which was quoted by the Applicants, had nothing to do with Section 24.

Decision

Ground of opposition under section 23(3)(b) read with section 8(7)(a)

73 Section 23(3)(b) reads:-

23. —(3) *The registration of a trade mark may be declared invalid on the ground –*

...

(b) that there is an earlier right in relation to which the condition set out in section 8(7) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

Section 8(7)(a) reads:-

8. —(7) *A trade mark shall not be registered if, or to the extent that, its use in Singapore is liable to be prevented —*

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade.

74 It is accepted that the common law action of passing off comprises the following three limbs of (i) goodwill; (ii) misrepresentation; and (iii) damage. In particular, as submitted by the Registered Proprietors, each limb has been succinctly elaborated in the case of **WILD CHILD** as follows:-

- (i) that the plaintiff's goods and services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (ii) that there is misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and
- (iii) the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

75 The first question to be resolved is the relevant date from which to establish whether an action in passing off has been made out when Section 8 is read with Section 23 of the Act. The answer to this is found in paragraph 9-140 of *Kerly's* (see above) as follows:-

“It is suggested that the issue must be determined as at the date of the application for the mark in issue. The question is whether or not use of the mark applied for is liable to be prevented as at that date. If however, the mark the subject of the application is already in use then this may require consideration of the position at an earlier time too. The relevant date for proving reputation and goodwill in a claim for passing off is the date of commencement of the activities complained of. If the applicant is the senior user then he should prevail.”

[Emphasis mine].

The Registered Proprietors in this instance submitted that its predecessor in business, in particular, RCS, has been using the Registered Marks since 5 September 1996. This is the date of registration of RCS with the then ACRA (page 7 of the Registered Proprietors' SD of 25 January 2008).

76 However, as submitted by the Applicants, RCS was only involved in “stenographic and secretarial services” and “real estate agents including appraisers, valuers and rental service” (page 7 of the Registered Proprietors’ SD of 25 January 2008). The Applicants further submitted that none of the seven invoices issued by RCS as per the Registered Proprietors’ SD of 25 January 2008 evidenced the provision of any management services. Most importantly, (as referred to by the Applicants above), the Registered Proprietors’ first invoice that is relevant to the provision of management services was issued on 31 July 2001 (page 102 of the Registered Proprietors’ SD of 25 January 2008).

77 The description of the activities upon registration with ACRA provides information as to the type of business which the entity intends to dwell in as at that moment in time. However, to substantiate the argument that an entity is indeed providing a particular type of service as of a particular date / period, evidence is needed and one appropriate form of evidence would be invoices rendered by an entity as such. Thus in this instance, since the earliest date for the provision of management services was 31 July 2001, this would be the relevant date in this case. In relation to financial consultancy, the Applicants submitted that the earliest invoice rendered by the Registered Proprietors was dated 29 December 2003 (see above). As this date is later than 31 July 2001, passing off will be assessed as of 31 July 2001.

78 As a side comment, given that both invoices were rendered by the Registered Proprietors themselves and not by RCS, there is no need to address the Applicants’ submissions (see above) as to the relevance of the provision of services by a predecessor in business.

Goodwill

79 It is clear that passing off protects a plaintiff’s business or goodwill and not the mark used. The mark is only a tool used by the plaintiff to educate their customers to identify which services originate from his business. While this is so, the role of the mark is crucial when proving the element of goodwill. This because the test which has been used by the courts to determine whether the plaintiff’s business has goodwill is whether the mark adopted by the plaintiff has become *distinctive of his services* in the sense that it is *associated or identified exclusively with his goods*.

80 As the level of goodwill focuses on the level of the public’s awareness of the plaintiff’s mark and association of the mark with the plaintiff’s services, the plaintiff usually discharges his burden of proving goodwill by tendering evidence of his *sales volume* and / or the extent and amount of *advertisement and media coverage* of his business conducted under that mark.

[Paragraphs 79 and 80 are taken from *Law of Intellectual Property of Singapore (Sweet & Maxwell, Rev Ed, 2009)* by Ng-Loy Wee Loon at paragraphs 17.1.1 – 17.1.4. All emphasis is mine.]

81 The mark which is distinctive of the services provided by the Applicants, be it art auction-sale services and art galleries or the Services, is “Raffles Fine Arts Auctioneers” in the format as shown below:-



or simply “Raffles Fine Arts Auctioneers” / “Raffles Fine Arts Pte Ltd”.

82 It is apparent from the posters and newspaper articles, that the mark used for services provided by the Applicants, which include the Services, is “Raffles Fine Arts Auctioneers” as shown above. This mark is prominently and consistently used as such in the posters (see pages 17 – 22 of the Supplemental SD). The Applicants are also referred to as “Raffles Fine Arts Auctioneers” in the newspaper articles (see pages 23 – 27 of the Supplemental SD). While there are some references to the Applicants as “Raffles”, for example, in the newspaper article in The Straits Times of 28 September 1995, it is clear from the context that it is referring to the Applicants. This is also the case for the article in The Straits Times dated 26 August 1995.

83 In relation to the poster which the Applicants submitted is evidence of the provision of the Services (see pages 33 and 32 of the Supplemental SD), it is noted that both posters show the mark of the Applicants as “Raffles Fine Arts Auctioneers” whether in the format shown above or not. The same can also be said in relation to the Chinese poster at page 35 of the Supplemental SD – it is clear that the mark on the poster is the mark as portrayed above. Only one poster on page 31 of the Supplemental SD reflects “Raffles Management Group”.

84 The fact that the mark used by the Applicants is consistently “Raffles Fine Arts Auctioneers” is further borne out by the official receipts issued to most if not all of the Applicants’ clients for the Services whether arts or non – arts related. For example, the official receipt issued to Mdm Cheang In Leng (advice as to setting up of an antique furniture business in Singapore – arts related business management consultancy) has the mark “Raffles Fine Arts Auctioneers” in the form as shown above on the top left hand corner of the receipt (see page 15 of the Applicants’ SD of 13 December 2008). Similarly the official receipt issued to Li Shi Yi (advice in relation to setting up of an eating house business in Singapore – non - arts related business management consultancy) the mark “Raffles Fine Arts Auctioneers” as shown above is again clearly indicated at the top left hand corner of the receipt (page 28 of the Applicants’ SD of 13 December 2008). Finally, the mark as shown above is also clearly indicated as such on the official receipt issued to Mr Quek Kian Guan (the Services – arts related) (see page 38 of the Applicants’ SD of 13 December 2008).

85 Before I conclude on this issue, I note that all the stationeries of the Applicants bore the mark “Raffles Fine Arts Auctioneers” as depicted above (pages 6 - 9 of the Supplemental SD).

86 Thus in conclusion, whether the mark is as per the format depicted above or simply “Raffles Fine Arts Auctioneers” or “Raffles Fine Arts Auctioneers Pte Ltd” in normal font, it is clear that the mark is “Raffles Fine Arts Auctioneers” and not “Raffles” per se.

87 As alluded above in paragraph 8, as per the ACRA Instant Information, the Applicants were registered as at 13 November 1992 and the activities of the Applicants are “auction-sale services” and “art galleries” (page 11 of the Supplemental SD). In paragraph 21 above, the Applicants argued that while the ACRA Instant Information describes the activities as such, the M & A of the Applicants demonstrates that the Applicants had every intention to dwell in the Services given the broad objectives as per the Applicants’ M & A.

88 I am unable to agree with this submission of the Applicants. As submitted by the Registered Proprietors (see above), it is generally the case that M & As are drafted in the widest possible way. This is so that in the event that an entity wishes to enter into a particular area of commercial activity at a later stage, it can do so without having to amend the M & A. It is a matter of general convenience. Thus, the M & A cannot be conclusive evidence as to activities of a particular entity. In relation to the original intention of an entity as to its desired activities, I agree with the Registered Proprietors that it is the ACRA information that is relevant. However, it is also apparent (and natural) that an entity may thereafter decide to expand / dwell into another area of commercial activities not originally contemplated. In order to ascertain the actual services provided by an entity, it is necessary to look into the evidence tendered.

89 Pages 17 – 22 of the Supplemental SD include copies of the various posters utilized by the Applicants over the period 1993 – 1997 to promote its auctioneering services. Pages 23 – 27 of the Supplemental SD also include several newspaper reports of the auctions organized by the Applicants for the period 1993 – 1995. Pages 28 – 30 of the Supplemental SD contain pictures of Mdm Lim at art exhibitions during various times (1992, 1994, 1997 and 2001) with senior government officials and business leaders.

90 From all of the above, especially the posters and the newspaper articles, it can be fairly concluded that the Applicants are fairly active and reputable in the arts field which includes art auction sale services, consistent with the description of the Applicants’ activities in the ACRA Instant Information.

91 However, it is also the Applicants’ case that they have been providing the Services since its formation. In support of this, the Applicants referred to two posters (pages 33 and 34 of the Supplemental SD). In relation to the poster on page 33, the Applicants submitted that only item 4 “investment and management of arts items” relates

to the arts. With respect to the poster on page 34, the Applicants emphasized Part B of the same entitled “Business Management & Consultancy Services”.

92 The Applicants also referred to the Applicants’ SD of 26 July 2007 and 13 December 2008 respectively to show that they have provided the Services and that not all of their clients are arts related.

93 Pages 12 – 54 of the Applicants’ SD of 26 July 2007 include declarations made by the Applicants’ clients:-

(i) Mdm Zhou, wife of Shi Hu, a well known artist in China, became a Singapore permanent resident with her husband under the Artists and Professionals Immigration Scheme of the Singapore Government. Mdm Zhou deposed that based on an analysis of her background (she was a member of a minority race in China) and her hobby (Mdm Zhou likes to do painting in her free time), the Applicants advised her to start a fashion design boutique. The Applicants also advised her as to the skills she should acquire in preparation for the boutique. The Applicants also arranged for her to get a private loan in China. Mdm Zhou then established a boutique in Beijing which she later turned into an arts boutique cum teahouse.

(ii) Mr Yee Kok Long (“Mr Yee”) deposed that he had great interest in the appreciation of Chinese calligraphies, brush paintings and jewellery since young. He sought the Applicants’ advice as to the area in which he should dwell in and the Applicants, again based on his background and interest, advised him to look into the area of arts examination, appreciation and appraisal. The Applicants also recommended that Mr Yee learn such skills from two experts in China, which he did. He is currently furthering his expertise in arts, ceramics and porcelains appraisal.

(iii) Mdm Cheang In Leng (“Mdm Cheang”) and her husband were in the business of repairing, restoring, reconditioning and exporting of Chinese antique furniture in China. In 1993, Mdm Cheang and her family wanted to move to Singapore and sought advice from the Applicants if it was viable to move their antique furniture business to Singapore. The Applicants advised Mdm Cheang to make replica furniture of the period 1880 – 1920 for their Singapore business. Mdm Cheang also deposed that the Applicants also assisted them amongst others, in immigration matters.

(iv) Mr Quek Kian Guan (“Mr Quek”) is a design artist by profession and was thinking of setting up a business in China. The Applicants advised him that his skills in relation to commercial art designing were lacking in China and assisted him to join a Business Delegation to China led by the then Prime Minister Goh Chok Tong. The Applicants also assisted Mr Quek to obtain a loan in China with which Mr Quek used to establish Lion City Labelling & Packaging. The company was eventually sold off for a profit. Currently, Mr Quek is running another company which produces trademark nameplates in China.

(v) Mr Du Jiancheng (“Mr Du”), a reporter, author and arts commentary writer, came to Singapore in 1993. For the period 1993 – 1999, Mr Du worked with the Applicants as a business and information consultant providing information to Singapore based Chinese citizens who are keen to set up business in Singapore as well as advising about new business opportunities in China. Subsequently, the Applicants advised Mr Du to study the business model of NTUC Supermarkets when Mr Du was interested in acquiring Hua Cheng Supermarket in China. Mr Du deposed that currently Hua Cheng is ranked 40th of the largest 100 chain stores in China.

94 The Applicants also, via the Applicants’ SD of 13 December 2008 provided a schedule of clients to whom they have provided advice (for a sample see above). The Applicants sought to show, via this list, that they do provide the Services (over and above services related to art auctioneering). The Applicants also lodged, (via the Applicants’ SD of 13 December 2008), copies of official receipts issued pursuant to such Services rendered as well as bank statements wherein payments made by clients for such Services are banked in.

95 I will now deal with the evidence in paragraphs 89 – 94 in turn:-

(i) in relation to the two posters mentioned in paragraph 91, the poster on page 34 of the Supplemental SD cannot be taken into account as it was distributed after being appointed as a representative by EFMC that is, after 23 June 2003 which is later than the relevant date of 31 July 2001 (page 6 of the Applicants’ SD of 11 August 2008).

(ii) in relation to the statutory declarations referred to in paragraph 93, cases (i) – (iv) appear to relate to the Services in the arts arena.

(iii) in relation to the schedule of services rendered referred to in paragraph 94, it would appear that the Applicants rendered business management which are not related to the arts.

From the above, it would appear that the Applicants did provide the Services whether it relates to the arts or not.

96 I say “appear” as there is one major weakness in the Applicants’ case – there is no tax invoices tendered at all for all of the transactions described above. I do not intend to comment on the way the Applicants run their business except to say that the absence of tax invoices makes it difficult to prove actual provision of services in the course of business. Nevertheless, I am still prepared to accept that the Services were rendered by the Applicants on the basis of the Applicants’ submissions that there were official receipts (which included very brief description of the type of services rendered) issued for the provision of the Services (pages 11 – 64 of the Applicants’ SD of 13 December 2008).

97 However, it is one thing to provide services but another to prove that one has goodwill with respect to the business.

98 Since the relevant date is 31 July 2001, only transactions which occurred on or before this date can be taken into account. The Applicants submitted that between 1993 to 2003, there are thirty-four transactions with a total billing of nearly a quarter of a million Singapore dollars (see above). Taking into account the relevant date, there are only a total of thirty transactions with a total billing in the amount of approximately SGD 165,000.00 in an eight year period (page 2 and 10 of the Applicants' SD of 13 December 2008). This would translate to approximately 4 transactions per year in the value of SGD 20,625.00.

99 In relation to promotion of the Services, in addition to the poster on page 33 of the Supplemental SD, there is also the Chinese poster (page 35 of the Supplemental SD). Even if the poster on page 31 of the Supplemental SD is taken into account (this poster reflects "Raffles Management Group") there are only a total of three posters which are relevant to the Services. Three posters during a span of eight years cannot be considered to be substantial promotion. The Applicants claimed that posters are re-used during various art exhibitions for publicity of the Services. However, aside from statements made by the Applicants in their statutory declarations (page 6 of the Applicants' SD of 26 July 2007 and page 5 of the Applicants' SD of 11 August 2008) there is no other evidence provided to substantiate this fact.

100 Taking into account the sales volume and the promotion of the Unregistered Marks, I do not think that this is sufficient goodwill for the purposes of an action for passing off.

101 The Applicants referred to *Wadlow* (see above) for the proposition that "*slight trading activities will suffice*" and that goodwill can be established if "*the claimant can prove more than a trivial number of customers*". However, these propositions must be taken in context. For the first proposition, a reading of paragraph 3-55 of *Wadlow* will reveal that this statement is made in the context of a discussion as to whether a passing off action can be brought with respect to a business which is about to commence trading and for which a demand has been created by advertising. This is not the situation here. For the second proposition, a reading of paragraph 3-76 of *Wadlow* will also reveal that the point was made in the context of other matters of evidence which are not applicable in this instance.

Misrepresentation

102 The key element for misrepresentation is deception. The main issue to be resolved is whether the defendant had made a false representation that led to or is likely to lead to deception or confusion amongst the public? The nature of the deception or confusion may relate to the trade source of the goods or services. Although the key element is deception, it is not necessary to prove that the defendant has an intention to deceive or mislead the public. It has been said that the state of the mind of the defendant is immaterial but rather what matters is the *impact on the persons to whom the misrepresentation is addressed*.

[Paragraph 102 is also taken from *Law of Intellectual Property of Singapore (Sweet & Maxwell, Rev Ed, 2009)* by Ng-Loy Wee Loon at paragraph 18.0.1. Emphasis is all mine.]

103 The misrepresentation in this instance is as per the submissions of the Applicants above, that the use of the Raffles Marks by the Registered Proprietors constitutes a misrepresentation that:-

- (i) the “class 35 and 36” services provided by the Registered Proprietors share the same source as the Services; or
- (ii) the Services are connected to the Registered Proprietors’ services.

104 The Applicants submitted (see above) that taking into consideration the visual, aural and conceptual similarity between the Raffles Marks and the Unregistered Marks (in the context of provision of identical services) there is a likelihood of confusion that the Applicants is part of the Raffles Group. The Applicants also submitted that there are several factors which increased the likelihood of confusion namely the similarity in the target groups, business development paths (see above) and services rendered.

105 It is clear that the Applicants’ mark is “Raffles Fine Arts Auctioneers” in the particular representation as depicted above. The Applicants submitted that “Fine Arts Auctioneers” are in much smaller print and that the dominant component of the mark is “Raffles”. The Applicants submitted that in particular, version A(i) of the Raffles Marks is similar to the Unregistered Marks (see above).

106 I am unable to agree with the Applicants that the marks are visually, aurally and conceptually similar.

107 While I agree that the word “Raffles” has the largest font in the mark, I am unable to agree that “Raffles” is the dominant component in this instance. The mark has to be assessed as a whole. While it is true that “Fine Arts Auctioneers” appear in smaller print, they cannot be ignored. They appear in a particular font within a strip. The mark has to be assessed as a whole and the mark is “Raffles Fine Arts Auctioneers”.

108 There is also one reason which is peculiar in this instance. The word “Raffles” is peculiar to Singapore. It is the name of the founder of Singapore and is commonly used in trade. One example is “Raffles Hotel” as submitted by the Registered Proprietors. In view of this circumstance, the public, being accustomed to names incorporating “Raffles” in trade are likely to be more discerning of marks consisting of the word “Raffles” and will focus on the dissimilar aspects of the mark instead. Thus the likelihood of confusion would be very remote.

109 To conclude, I am of the view that the two marks (the Unregistered Marks and the Registered Marks) are different and cannot be said to be visually, aurally or conceptually similar. The mark which is distinctive of the Services is “Raffles Fine Arts Auctioneers”

whether or not as depicted above and not “Raffles” per se. “Raffles Fine Arts Auctioneers” is the mark by which the Applicants used to promote themselves and by which they are known.

110 As to the factors which are submitted by the Applicants which increase the likelihood of confusion I make the following observations.

111 The Applicants made their submissions that the Registered Proprietors’ target audience include SMEs based on the Registered Proprietors’ webpage (page 54 of the Supplemental SD). However, this webpage is a 2007 version. It cannot be a proper indication as to the target audience of the Registered Proprietors as at the relevant date of 31 July 2001. Further, while the Applicants submitted that their target audience includes individuals and SMEs in the Asia Pacific Region, a cursory glance at page 4 of the Applicants’ SD of 13 December 2008 will indicate that all except for two of the Applicants’ clients are individuals. Having no basis from which to assess the similarity of the target audience of the parties, it is not possible to make a conclusion as to the similarity in this area.

112 In relation to the business development path, the Applicants submitted that the business development path of the Registered Proprietors and that of the Applicants are similar that is, from Singapore to Hong Kong and then to Asia in general. The Applicants referred to page 290 of the Registered Proprietors’ SD of 25 January 2008. This page reflects the webpage of the Registered Proprietors in relation to its history and future development path. One of its paragraph states:-

“The next phase of growth saw Raffles establish a physical presence across Asia. Its Hong Kong Office was opened in 2006 with operations in India, Malaysia...coming on stream in 2007.”.

[Emphasis mine.]

113 On the other hand, the Applicants entered the Hong Kong market as early as 1995. The Chinese poster (page 35 of the Supplemental SD) indicated a Hong Kong contact number. I refer to page 6 of the Applicants’ SD of 26 July 2007 where at paragraph 8.3.1, the Applicants tendered evidence via Appendix VI from which they concluded that the poster was used sometime before 1995. In view of the above, even if the development path is similar, as at the relevant date that is, 31 July 2001, the Registered Proprietors have yet to embark on the Hong Kong market while the Applicants have done so. Thus at the relevant date it cannot be said that the development paths are similar.

114 In conclusion, I am of the view that there is no likelihood of confusion and thus misrepresentation is not made out. The marks are different. The Unregistered Marks clearly consist of “Raffles Fine Arts Auctioneers”, whether in the format as depicted above or in normal font, while the Raffles Marks consist of simply one word “Raffles”, albeit in different formats. In relation to the factors which the Applicants submit increase

the likelihood of confusion, while the provision of similar services may increase the likelihood of confusion, in this instance, taking into account of all the circumstances of the case, my conclusion that misrepresentation is not made out remains.

Damage

115 As the first and second elements for an action for passing off are not made out, it is not necessary to consider if damage is made out in this instance.

116 Before I deal with Section 24, I note that the issue of consent under Section 23(3)(b) is not in issue. There is obviously no consent by the Applicants in this case.

Defences

117 Under this heading in the Registered Proprietors' submissions, the Registered Proprietors made submissions in relation to Section 9, Section 28(2) and Section 24 of the Act. The Registered Proprietors have clarified that the references to Sections 9 and 28 were simply made to put forth the point that the Raffles Marks can co-exist with the Unregistered Marks (see above). Thus I do not propose to dwell on these two provisions.

118 Section 24(1) of the Act reads:

24. —(1) Where the proprietor of an...earlier right has acquiesced for a continuous period of 5 years in the use in the course of trade of a registered trade mark in Singapore, being aware of that use, there shall cease to be any entitlement on the basis of that earlier trade mark or other right...to apply for a declaration that the registration of the later trade mark is invalid...unless the registration of the later trade mark was applied for in bad faith.

[Emphasis mine.]

It can be seen from the above that should there be acquiescence by the Applicants for a period of 5 years, of use in the course of trade of a registered trade mark, being aware of such use, they will be barred from bringing about an action under Section 23.

119 The parties argued at length as to the date from which to calculate the period of 5 years. As per paragraph 44, the Applicants referred to the English case of *Sunrider* which shed light as to the interpretation of Section 48 of the UK Trade Marks Act 1994 ("UKTMA") (which is in *pari materia* to Section 24 of the Act). The case of *Sunrider* held that the clock only starts ticking after the mark has been actually registered that is, from the date of the completion of the registration procedure. This interpretation has been endorsed in the later case of *Anheuser-Busch*.

120 The Registered Proprietors on the other hand submitted that time starts running from the date of first use of the mark which in this instance is 5 September 1996. The Registered Proprietors submitted that the Registrar is not bound by English cases. The

Registered Proprietors further argued that if the Registrar adopts the interpretation put forth by the English Courts she is going against the wordings of the Act (see above).

121 Unfortunately, there are no commentaries in relation to this issue nor are there any local cases on the interpretation of this section today. In such circumstances in addition to analyzing the words of the actual provision itself, it would be appropriate to refer to other jurisdictions where there is a similar provision, in this case, the UK.

122 It is clear from the words of the provision above that it is acquiescence (for a period of 5 years) of *use in the course of trade of a registered trade mark*. A natural and plain reading of the provision is that the use must be *use of a trade mark which has been registered*. Thus I am unable to agree with the Registered Proprietors' submissions in paragraph 70 above that the relevant date from which to calculate the 5-year period is the date of first use of the Raffles Marks by the Registered Proprietors. As at the point of first use by the Registered Proprietors that is, 31 July 2001, the Raffles Marks have not been registered.

123 Following the interpretation above, there are still two possible dates (i) the date of application for registration; and (ii) the date of completion of the registration procedure. For the purposes of this case, it is not necessary for me to come to a conclusion in relation to this issue. Whichever is the correct date from which to calculate the 5-period, in the current case, Section 24 is not made out since 5 years from the (earlier) date of application for registration that is, 30 April 2003 will end on 30 April 2008 and the applications for declaration of invalidation were made on 9 March 2007. Therefore in either case, the Applicants are not barred from seeking for declarations of invalidation under Section 23.

124 Before I leave this issue, I note that for Section 24 to be made out to prevent the Applicants from taking invalidation actions, it must be shown that the Applicants were aware of the use of the Raffles Marks by the Registered Proprietors. On this element of "awareness", there are no substantial submissions made nor were there any evidence submitted by the Registered Proprietors to show that this element has been fulfilled.

125 In conclusion, Section 24 is not satisfied and therefore does not apply in the current case. As such the Applicants are not barred from applying for declarations of invalidity of the Raffles Marks.

Conclusion

126 Having considered all the pleadings and evidence filed and the submissions made in writing and orally, I find that while the Applicants are not barred from applying for declarations of invalidity under Section 24, the applications for declaration of invalidation fail under Section 23(3) read with Section 8(7). Accordingly, costs, to be taxed if not agreed, are awarded to the Registered Proprietors.

Dated this 8th day of January 2010.

Sandy Widjaja

Principal Assistant Registrar of Trade Marks

Hearings & Mediation Division

Intellectual Property Office of Singapore