

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

Trade Mark Registration No. T07/04281A  
13 April 2010

**IN THE MATTER OF REGISTERED TRADE MARK NO T07/04281A**

**IN THE NAME OF  
IC COMPANYS A/S**

**AND**

**APPLICATION FOR DECLARATION OF INVALIDITY THEREOF BY  
CBR TEXTILE GMBH**

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

Ms. Gwendolene Lee and Mr Melvin Pang (Amica Law LLC) for the Applicants  
Ms. Ngoi Soon Hui (Drew & Napier LLC) for the Registered Proprietors

*Cur Adv Vault*

**GROUND OF DECISION**

IC Companys A/S is the registered proprietor (“Registered Proprietors”) of the trade mark registration number T07/04281A (International Registration No. 792497) as shown below:

**COMPANYS**

with respect to the following services in Class 35:

*“Advertising; business management; business administration; office functions; retail services in relation to clothing, footwear, headgear, bags, and leather goods, sunglasses, spectacles, perfumery, watches and jewellery; the bringing together, for the benefit of others, of a variety of goods (excluding the transport thereof), enabling customers to conveniently view and purchase those goods from a retail outlet”*

(“Services Claimed” and “Registered Mark” respectively). The date of the subsequent designation is 4 September 2006.

2 The Applicants, CBR Textile GmbH, (“Applicants”) applied for a declaration of invalidity of the Registered Mark on 4 November 2008.

### ***Chronology of the Matter***

3 The Applicants filed their Application for Declaration of Invalidity on 4 November 2008. The Registered Proprietors filed their Counter-Statements on 5 January 2009. The Applicants filed evidence in support of the invalidation on 27 March 2009. The Registered Proprietors on the other hand filed their evidence 7 October 2009. The Applicants filed their evidence in reply on 23 December 2009. At the Pre-Hearing Review on 20 January 2010, the parties indicated that they are not negotiating and thus a hearing date was set down for 13 April 2010.

### ***Applicants’ Evidence***

4 The Applicants’ evidence was declared by Hugo Reissner, the Managing Director for the Applicants (“Applicants’ first SD”) while the Applicants evidence in reply was declared by Thomas Schmidt and Dr Peter Grafoner, both Managing Directors of the Applicants as well (“Applicants’ second SD”). The Applicants and their related companies own and operate fashion retail outlets under the name and trademark “CBR COMPANIES” throughout the world, including but not limited to, Germany, Netherlands, Belgium, Switzerland and Austria. The Applicants’ “CBR COMPANIES” retail outlets are multi-label concept stores which appeal to a large target group and provide trendy, good quality merchandise to modern and fashion conscious women.

### ***Registered Proprietors’ Evidence***

5 The Registered Proprietors’ evidence was declared by Rikke Jessen, the Legal Counsel for the Registered Proprietors (“Registered Proprietors’ SD”). The Registered Proprietors are a group of companies formed in 2001 by the merger of Carli Gry International A/S and InWear Group A/S and is listed on the Denmark stock exchange. It is the Registered Proprietors’ evidence that they rank among the largest clothing companies in Northern Europe with close to 2500 employees. There are sales companies in 16 countries namely Denmark, Sweden, Norway, Finland, UK, Ireland, Germany,

Holland, Belgium, Austria, France, Poland, the Czech Republic, Hungary, Canada and China. It is also the Registered Proprietors' evidence that they generate multi-million dollar revenues annually.

6 The Registered Proprietors own a portfolio of independent brands:- Peak Performance, InWear, Tiger of Sweden, Jackpot, Cottonfield, Matinique, Part Two, By Malene Birger, Saint Tropez, Soaked in Luxury and Designers Remix Collection. Goods under these brands are sold in the Registered Proprietors' retail and franchise stores and via more than 12,000 distributors in more than 40 countries.

### ***Applicable Law and Burden of Proof***

7 The applicable law is the Trade Marks Act (Cap 332, 2005 Rev Ed) ("Act") and the burden of proof in an invalidation action is on the Applicants. ***Kerly's Law of Trade Marks and Trade Names 14<sup>th</sup> Edition*** ("Kerly's") at paragraph 10-012 states:

*"...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."*

### ***Grounds for Invalidation***

8 The Applicants relied on Section 23(1) read with Sections 7(1)(a), (b), (c), (d) and Section 7(6) of the Act and Rules 5(1) and 18 of the Trade Marks (International Registration) Rules. The Applicants did not plead Section 23(2).

### ***Ground of invalidation under section 23(1) read with section 7(1)(a)***

9 Section 23(1) reads:-

*"23.—(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 7."*

Section 7(1)(a) reads:

*"7.—(1) The following shall not be registered:  
(a) signs which do not satisfy the definition of a trade mark in section 2 (1)..."*

Section 2(1) reads:-

*"2.—(1) In this Act, unless the context otherwise requires —*

*"trade mark" means any sign capable of being represented graphically and which is capable of distinguishing goods or services dealt with or provided in the course of trade by a person from goods or services so dealt with or provided by any other person..."*

*"sign" includes any letter, word, name, signature, numeral, device, brand, heading, label, ticket, shape, colour, aspect of packaging or any combination thereof..."*

### ***Applicants' submissions***

10 The Applicants submitted that the test of whether a mark is "capable of distinguishing" under Section 7(1)(a) of the Act is to ask whether the mark can in fact do the job of distinguishing one trader's goods / services from that of another trader, such that if it fails at the first threshold and is incapable of even functioning as a trade mark, then it will not be registrable. The Applicants highlighted that in applying the test, it is irrelevant to look at *de facto* distinctiveness. As such, any evidence adduced to show that the trade mark has derived a distinctive character by reason of its use, substantial or otherwise, must be disregarded. The Applicants alluded that this was also the approach adopted by the Court of Appeal in ***Wing Joo Loong Ginseng Hong (Singapore) Co Pte Ltd v Qinghai Xinyuan Foreign Trade Co Ltd and another and another appeal*** [2009] 2 SLR(R) 814 ("***Wing Joo Loong***").

11 The Applicants submitted that in the present case, the Registered Mark consists solely of a term that is incapable of distinguishing one trader's services from those of another in that the term COMPANYS is derived from the ordinary English word COMPANY. The average public understands the term COMPANY as a word forming part of the English vocabulary and is commonly used to refer to a business enterprise or an association of persons that runs a commercial enterprise. The Applicants submitted that the term COMPANY is a generic and descriptive term used to name an enterprise, a legal entity or business entity.

12 Given that the term COMPANY forms part of the basic vocabulary of the English language and is frequently used by traders in the course of trade to refer to a business entity which provides a whole spectrum of differing goods and / or services, the Applicants submitted that the word COMPANY cannot thereof in and of itself be "capable of distinguishing" within the meaning of Section 7(1)(a) of the Act. The Applicants submitted that this is especially so in the present case as the services include "advertising; business management; business administration; office functions; retail services" etc which form the core activities of and / or are services commonly provided by a company or companies.

13 The Applicants submitted that the above conclusion is supported by the case of ***Kopitiam Investment Pte Ltd v RC Hotels (Pte) Ltd*** [2008] SGIPOS 8 ("***Kopitiam Case***") where the applicant sought to register "Kopitiam" under Class 42 for *inter alia* "provision of food and drinks". In the ***Kopitiam Case*** it was held that:-

*"Given the descriptive nature of the word "kopitiam" and how it is so commonly and generically used in the local parlance to mean an eating place or coffee shop which sells a variety of cooked food and beverages, the Applicants' mark stripped of the evidence of use clearly lacks the capacity to distinguish. The word*

*“kopitiam” therefore ought not to be monopolised by anyone trader who desires to trade in services relating to provision of food and drink.”*

The Applicants submitted that similarly in this current case, the Registered Proprietors are seeking to unfairly monopolise the English words COMPANYY or COMPANIES as used in respect of the Services Claimed. The Applicants submitted that all the Services Claimed form the core activities of and / or are services commonly provided by a company or various companies. The Applicants submitted that the same considerations apply even under the Registered Proprietors’ alternative argument to restrict the specification of services to the following description:-

*“Retail services in relation to clothing, footwear, headgear, bags and leather goods, sunglasses, spectacles, perfumery, watches and jewellery; the bringing together, for the benefit of others, of a variety of goods (excluding the transport thereof), enabling customers to conveniently view and purchase those goods from a retail outlet.”*

14 The Applicants submitted that the root words COMPANYY or COMPANIES are references to a company or various companies offering their products at the same point of sale and / or to the generic entity providing the said services without clearly distinguishing one trader’s goods or services from those of another. The Applicants submitted that given that the word COMPANYY or its plural equivalent is incapable of distinguishing the services of the Registered Proprietors from those of other traders, neither is the term COMPANYS capable of distinguishing as there is virtually no difference between COMPANYS and the generic words COMPANYY or COMPANIES. The Applicants submitted that adding “S” to a singular noun is a common practice in the English language to denote the plural form.

15 The Applicants submitted that thus any difference between the terms COMPANYS and COMPANIES is *de minimis* and will not allow the relevant public to clearly identify the former as a distinctive badge of origin while classifying the latter as a merely descriptive term and not capable of distinguishing the Services Claimed from those of another trader.

16 The Applicants also submitted that the terms COMPANYS and COMPANIES are aurally identical. The Applicants referred to the “vintage principle” as affirmed in the case of *Electrix Ltd v Electrolux Ltd [1959] 3 W.L.R. 503* (“*the Electrix Decision*”):-

*“... if a given word is for any reason unregistrable in its proper spelling, then, inasmuch as Trade Marks appeal to the ear as well as to the eye, the objection (whatever it may be) to the registration of the properly spelt word applies equally to a word which is merely its phonetic equivalent.”*

The Applicants submitted that this principle was also applied in the case of ***Kwik Kopy TM [1982] RPC 102*** (“***Kwik Kopy Decision***”):-

*“It is well established that, if a word is for any reason unregistrable in its proper spelling, then, inasmuch as trade marks appeal to the ear as well as to the eye, the objection applies equally to a word which is merely its phonetic equivalent....”*

The Applicants submitted that both cases were considered in the Singapore Court of Appeal case of ***Kellogg Co v Pacific Food Products Sdn Bhd [1998] 3 SLR(R) 904*** (“***Kellogg Case***”).

17 The Applicants submitted that this “vintage principle” applies likewise to the present case. If the term COMPANIES is not capable of distinguishing the services of the Registered Proprietors from those of another trader, the same conclusion applies to the term COMPANYS which is a phonetic equivalent of COMPANIES. The Applicants submitted that it would be an anomaly if the term COMPANIES is not capable of distinguishing the services of the Registered Proprietors from those of other traders but yet by a minor change of spelling to COMPANYS the Registered Mark is immediately capable of functioning as a badge of origin.

18 The Applicants highlighted the background of the current dispute. In around September 2008, the Registered Proprietors attempted to restrain the Applicants from using their  mark in Switzerland by filing an interlocutory injunction in the Swiss Court and had relied on the COMPANYS trade mark in support of the same. The application for the injunction was subsequently refused by the Swiss Court and no appeal was filed within the time limit by the Registered Proprietors against the refusal. Based on the above, the Applicants submitted that allowing the Registered Mark to continue subsisting on the Trade Mark Register would open up the possibility of potential infringement actions and / or applications for interlocutory injunctions being taken up by the Registered Proprietors to unjustifiably monopolise the English words COMPANYY and COMPANIES and restrain their use by other third party trade mark proprietors.

19 The Applicants concluded that this unfair monopoly should not be allowed and that the registration of the Registered Mark should be invalidated pursuant to Section 23(1) of the Act read with Sections 7(1)(a) on the basis that the Registered Mark fails on the threshold question of even being capable of functioning as a trade mark as it is generic and synonymous with the Services Claimed and is a phonetic equivalent of COMPANIES. In the premises, the Registered Mark is not capable of distinguishing the Services Claimed from those of other traders.

#### ***Registered Proprietors’ submissions***

20 The Registered Proprietors submitted that it is not in contention that the Registered Mark is capable of being represented graphically. The Registered Proprietors

referred to *Love & Co Pte Ltd v The Carat Club Pte Ltd* [2009] SLR (R) 561 (“*Love Case*”) for the following observation in relation to Section 7(1)(a):-

*“Section 2(1) of the TMA prescribes that a mark must first have the following essential characteristics before it can even qualify as a trade mark. It must be a sign that is: (a) capable of being represented graphically; and (b) capable of distinguishing the goods or services of one trader from another. The graphical representation assessed as a whole must therefore have a “capacity-to-distinguish”, an essential and fundamental requirement reflecting the intended basic function of a trade mark. Otherwise, s 7(1)(a) will prohibit its registration without more. The capability or capacity (used interchangeably) of a mark to distinguish the goods or services in a particular trade must not be examined in isolation but in relation to the specific goods or services and with regard to the facts and the market environment as they exist at the relevant date.”*

[Emphasis in the original.]

The Registered Proprietors also referred to *Law of Intellectual Property of Singapore* (Sweet & Maxwell, Rev Ed, 2009) by Ng-Loy Wee Loon (“*Ng-Loy Wee Loon*”) in relation to this Section as follows:-

*“Thus, the test for capacity-to-distinguish has also been phrased in this way: whether, no matter how much the sign may be used and recognised, it can really serve to convey in substance only the message: ‘here are a particular trader’s goods’. If the answer is in the negative, the sign is incapable of distinguishing the goods.”*

21 In particular, the Registered Proprietors referred to Chan J. in the *Love Case*, who noted that the threshold in Section 7(1)(a) is very low. Similarly, the Registered Proprietors also referred to the Court of Appeal case of *Wing Joo Loong* where Chao Hick Tin JA. noted that:-

*“The approach taken by the courts towards this fundamental requirement that a mark or sign must have the requisite capacity to distinguish in order to be registered as a trade mark has not been exacting.”*

Specifically, the Court in *Wing Joo Loong* cited the English High Court decision of *AD2000 Trade Mark* [1997] RPC 168 (“*AD 2000 Case*”) where it was held that:-

*“...the requirements of section 1(1) are satisfied even in cases where a sign represented graphically is only “capable” to the limited extent of being “not incapable” of distinguishing goods or services of one undertaking from those of other undertakings. Such signs are not excluded from registration by section 3(1)(a).”*

Section 1(1) of the English Trade Marks Act is substantially identical to Section 2(1) of the Act while Section 3(1)(a) of the English Trade Marks Act corresponds to Section 7(1)(a) of the Act. In short, the Registered Proprietors submitted that the threshold which a mark has to cross in respect to the capacity-to-distinguish limb under Section 7(1)(a) is very low, to the extent that the mark is “not incapable” of distinguishing one trader’s goods or services from another’s.

22 The Registered Proprietors also referred to *Wing Joo Loong* which held that when assessing whether a sign or mark possesses the requisite capacity to distinguish so as to constitute a trade mark, one should only look at the inherent features or characteristics of that sign or mark and not at its use.

23 The Registered Proprietors referred to a similar invalidation action by the Applicants in relation to the Registered Proprietors’ corresponding registration for the COMPANYS mark (TM No. 0792497) in Ireland (“*Ireland COMPANYS Decision*”) where the hearing officer took the view that COMPANYS has the requisite capacity to distinguish the Registered Proprietors’ services from those of others:-

*“In answering the question “is it capable of distinguishing goods or services of one undertaking from those of other undertakings” the answer is yes. Its capacity to distinguish stems from the fact that the word COMPANYS does not designate any individual (service) within the specification in ...Class 35 and the word creates an overall impression that is sufficiently individual and memorable as to have the requisite capacity to distinguish the Holder’s (services). The sign would not, in my opinion, be taken as anything other than a trade mark when observed by the average consumer and I could not accept that it is incapable of identifying the Applicant’s (services) and setting them apart from the like (services) of other traders. It is, therefore, a trade mark within the statutory definition and cannot be deemed to be invalid in terms of Section 6(1) or Section 8(1)(a).”*

Section 6(1) and Section 8(1)(a) are the equivalents of Sections 2(1) and 7(1)(a) of the Act respectively. References to the Registered Proprietors’ goods in Ireland have been substituted with references to “services” in parentheses. In Ireland, the Registered Proprietors’ registration had covered goods and services in Classes 3, 18, 25 and 35 and the Applicants had sought to invalidate the entire registration.

24 The Registered Proprietors listed some cases where the marks were found to possess the capacity to distinguish under Section 7(1)(a):-

- (i) “LOVE” for jewellery, precious stones, and precious metals in the *Love Case*;
- (ii) “MILKBEARS” for candies, chocolates, chocolate candies and pastries in *Newmans Chocolates Ltd v Societes des Produits Nestle SA [2003] SGIPOS 2* (a Registry decision under the Trade Marks Act 1998– the definition of “trade mark” under the said legislation is in *pari materia* to that under the Act);

- (iii) “PREMIER” for luggage and travel goods in *Premier Luggage and Bags Ltd v The Premier Company (UK) Ltd* [2001] FSR 29, the finding of which was upheld on appeal by the English Court of Appeal at [2003] FSR 5.

This is in contrast to the examples given by the courts illustrating marks which lack the capacity to distinguish:-

- (i) “SOAP” for soap (*British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281) (“*British Sugar Case*”);
- (ii) “JEWELLERY”, “GOLD” OR “DIAMONDS” for jewellery, precious stones and precious metals in the *Love Case*.

25 The Registered Proprietors submitted that COMPANYS is a fanciful word as it does not have a dictionary meaning. Comprising the word COMPANY and “S” at the end, the mark as a whole bears no reference, direct or otherwise, to the Services Claimed (see above). The Registered Proprietors submitted that the Registered Mark does meet the requisite threshold for having the capacity to distinguish the goods of one trader from those of another and thus should not be precluded under Section 7(1)(a).

26 In particular, in relation to all the instances of the Applicants’ application of the “vintage principle” pursuant to the *Kellogg Case* in this invalidation action, the Registered Proprietors submitted as follows.

The Registered Mark when viewed as a whole is registrable as it is distinctive in the context of the Services Claimed. Hence whether COMPANYS is a common misspelling of or phonetically equivalent to COMPANIES is irrelevant. Services are intangible. Given how the Services Claimed are typically traded, the average consumer is likely to encounter the Registered Mark in the form of writing – for instance in print or on shop fronts. The aural aspect of the Registered Mark takes a backseat as opposed to the visual appearance of the same.

27 All case authorities cited by the Applicants in support of the “vintage principle” were decided under the preceding Trade Marks Act (Cap 332, 1992 Rev. Ed.) (“the Old Act”), its equivalent in the United Kingdom or UK Acts pre-dating the same by many years –

- (i) The *Electrix Decision* was based mainly on the 1898 decision of *In re Ripley & Son’s Trade Mark* 14 TLR 299 which was in turn decided under the auspices of the UK Trade Marks Acts of 1883 and 1888;
- (ii) The *Kwik Kopy Decision* was taken under the UK Trade Marks Act 1938; and
- (iii) The *Kellogg Case* was decided under the Old Act.

The Registered Proprietors submitted that there is no local or English case which the Applicants have been able to cite and which the Registered Proprietors are able to find which endorses the applicability of the “vintage principle” under the Act or its UK equivalent.

28 The Registered Proprietors submitted that the Act marks a sea change from the Old Act in that the division of the Register into Parts A and B has been abolished. Sections governing distinctiveness and registrability of marks have undergone a massive overhaul. The differences in the Act as contrasted with the Old Act cannot be overstated. Under the Old Act, a word mark was permitted registration under Part A of the Register only if it possesses *prima facie* inherent distinctiveness within the meanings of Section 9(1)(a) – (d) failing which, to fall within the residual category under Section 9(1)(e), the word mark had to have become factually distinctive through use. In contrast, the Act is less restrictive. Under the Old Act, a mark could only be registered if it possessed an essential particular. Under the Act, it is registrable as long as it does not fall afoul of the negative criteria as per the Act.

29 The Registered Proprietors referred to ***Morcom, Roughton and Graham’s The Modern Law of Trade Marks*** which compares the effects of both the 1938 and 1994 UK Trade Marks Acts (the equivalent of the Old Act and Act respectively) as follows:-

*“... (w) hereas the onus under the TMA 1938 was on the applicant for registration to show that this mark ought to be registered, the new law... adopt(s) the opposite approach, by setting out grounds for refusal or invalidity creating a presumption that a mark ought to be registered unless there is some specific objection to it.”*

The Registered Proprietors also referred to ***Kerly’s Law of Trade Marks and Trade Names 13<sup>th</sup> Edition*** (“*Kerly’s 13<sup>th</sup> Ed*”) where the authors sounded a warning as follows:-

*“... the reference to cases decided under previous Acts is frequently of assistance. But assistance only: it should not be forgotten at any point that the system is fundamentally different and frequently demands a fresh look.”*

30 In the premises, the Registered Proprietors submitted that there is the issue of whether the “vintage principle” is still good law. The Registered Proprietors referred to ***Froot Loops Trade Mark [1998] RPC 240*** where the Appointed Person made his view as follows:-

*“I should make it plain that I was not called upon to decide whether the phonetic equivalence dicta of *Electroux* did represent the law under the 1994 Act. Had I been asked to do so I should have indicated pursuant to section 73(3)(a) that such an argument appeared to me to involve a point of general legal importance and would have given the parties an opportunity to make representations as to whether the appeal should be referred to the court.”*

The Registered Proprietors also referred to Lionel Bently and Brad Sherman's 2009 text *Intellectual Property Law (3<sup>rd</sup> Edition,)* by as follows:-

*“In the past, British tribunals would operate a general rule that a word that was “phonetically equivalent” to an unregistrable word was itself unregistrable. It seems today that there is no concrete rule. Rather, the Registrar must consider the impression that is produced by the variant aurally and visually, taking account of the goods or services. In situations where the purchasers are attentive and purchase is rarely done orally, a visual variation of a descriptive word (such as KA) may render a sign registrable (even though the sign is phonetically equivalent to a description).”*

Chapter 3 of the UK Trade Marks Registry's Work Manual which sets out the Examination Guide for the UK Registry (“**UK Work Manual**”) in respect of marks which are “Phonetic Equivalents of Objectionable Words (Misspellings)” refers:-

*“When considering applications which are in respect of words which are the phonetic equivalent of a descriptive or non-distinctive word(s), the appearance of the mark should be given weight. If the mark applied for is distinctive to the eye **as a matter of first impression** then it cannot be said to be devoid of any distinctive character at least where the goods or services are customarily selected by eye.”*

*“...obvious misspellings of words may be acceptable because the average consumer would perceive the difference between the trade mark and the descriptive word...”*

[Emphasis in original.]

One example provided in the UK Work Manual is “KOMMUNIKATION” where the mark is considered registrable since the average consumer would immediately recognize the difference between this mark and “COMMUNICATION” i.e. it is a clear misspelling.

31 The Registered Proprietors submitted that English is one of our four official languages and is often used by Singaporeans on a day-to-day basis. In other words, English is widely used and understood here. The Registered Proprietors submitted that as the visual impact of the Registered Mark carries more weight than its effect on the ear, and given our English speaking background, the Registered Mark will be immediately recognized by a typical consumer in Singapore as being an obvious misspelling and should be regarded as distinctive.

### **Decision**

32 It is clear from *Wing Joo Loong* that Section 7(1)(a) imposes a threshold requirement in that marks which are caught under this Section cannot be “cured” by *de facto* distinctiveness.

The interplay between Sections 7(1)(a) – (d) is expounded in *Ng-Loy Wee Loon* as endorsed by the Court in *Wing Joo Loong*:-

*“The interplay between the three thresholds of distinctiveness is as follows. The **first threshold** is found in the statutory definition of ‘trade mark’ itself: a sign must be capable of distinguishing goods or services dealt with or provided in the course of trade by a person from goods or services so dealt with by any other person. A sign which fails to cross this capacity-to-distinguish threshold is not a trade mark for the purposes of the Trade Marks Act [ie, the current TMA], and s 7(1)(a) prohibits its registration. The **second threshold** is found in ss 7(1)(b)–(d) which prohibit the registration of trade marks which are devoid of distinctive character, for example, trade marks which are descriptive of the goods or services for which registration is sought. Such trade marks are the ones which lack inherent distinctiveness, and as indicated above, they are prima facie not allowed registration. If the applicant of an inherently non-distinctive trade mark shows that it has crossed the **third threshold** of distinctiveness set out in s 7(2), that is, the mark has acquired sufficient de facto distinctiveness as a result of the applicant’s use ... of the mark before the date of the application, the mark will be accepted for registration.”*

[Emphasis in the original.]

The Court in *Wing Joo Loong* commented:-

*“It may also be pertinent to point out that pursuant to s 7(2) of the current TMA, in assessing whether a sign or mark should be refused registration by virtue of s 7(1), regard may be had to “the use made of [the sign or mark]” (per s 7(2)) where ss 7(1)(b)–7(1)(d) are concerned, but not where s 7(1)(a) is concerned.”*

[Emphasis in the original.]

In view of the above, as long as it is clear that Section 7(1)(a) imposes such a threshold requirement (in that marks which are caught under this Section cannot be “cured” by *de facto* distinctiveness), it does not matter whether this Section is argued first or not. Thus, the Registered Proprietors are free to structure their submissions in any way they deem fit and in this instance, they chose to put their submissions in relation to this Section last. As for my own purposes, I prefer to deal with it first before proceeding to look at the objections under Sections 7(1)(b) – (d).

33 In assessing whether a sign or mark possesses the requisite capacity to distinguish so as to constitute a trade mark, one should only look at the inherent features or characteristics of that sign or mark and not at its use. This was also the approach adopted by the Courts in *Wing Joo Loong*.

34 The only issue in contention in the current case is the interpretation of the phrase “capable of distinguishing” as per Section 2(1) read with Section 7(1)(a). The Applicants submitted that this phrase refers to whether the mark “is able to or serves to distinguish” as per *Uni-Charm Corporation v The Procter & Gamble Company* [2003] SGIPOS 12 (“*Uni-Charm Case*”). The Registered Proprietors on the other hand argued that the phrase refers to whether the mark “is not incapable of” distinguishing one trader’s goods or services from another’s. The Registered Proprietors submitted that this is the approach of the Court in *Wing Joo Loong* since it cited the *AD 2000 Case*.

35 The Court in *Wing Joo Loong* did not indicate a preference as to which is the preferred interpretation for Section 7(1)(a). The Court in referring to the *AD2000 Case* is simply giving an example of the “relaxed approach” of the European Court of Justice (“*ECJ*”). Similarly, it is also noted that the Principal Assistant Registrar (“*PAR*”) in the *Uni-Charm Case* did not conclusively come to a decision as to the preferred interpretation. In that case, the *PAR* held that the mark in question was devoid of distinctive character and thus if allowed registration, would be contrary to Section 7(1)(a) and (b) of the Act.

36 In view of the above, I refer to *Ng-Loy Wee Loon* for assistance. At paragraph 21.3.9, the learned author referred to the case of *Nation Fittings (M) Sdn Bhd v Oystertec Plc* [2006] 1 SLR 712 and concluded that the test to be used for deciding whether a sign is capable of distinguishing or not is the “genericisation” test and that this Section poses a very low threshold and will only be a stumbling block in very rare cases. This genericisation test is described as where a sign is so descriptive that it is almost synonymous with the goods or services themselves and hence is really an intrinsic part of the goods or services such that no amount of use of the mark would allow the mark to become truly a trade mark to denote trade origin of the goods or services. The public would always see the mark as denoting the goods or services themselves.

37 In the current case, applying the genericisation test above, can it really be said that COMPANYS is synonymous with the Services Claimed, namely “*Advertising; business management; business administration; office functions; retail services in relation to clothing, footwear, headgear, bags, and leather goods, sunglasses, spectacles, perfumery, watches and jewellery; the bringing together, for the benefit of others, of a variety of goods (excluding the transport thereof), enabling customers to conveniently view and purchase those goods from a retail outlet*”? Clearly, I think not. The current case is a far cry from “*SOAP*” for soaps. The Registered Mark is COMPANYS. It cannot be said to be synonymous to the Services Claimed when it is not even a word with a known meaning nor is it a common misspelling (below).

38 I think it is important to draw a distinction between the Registered Mark which consists of COMPANYS and the words COMPANY and COMPANIES. It is only COMPANY and COMPANIES which are part of the basic vocabulary of the English language. It is also COMPANY and COMPANIES which have been used by traders in relation to Class 35 services (Exhibit G of the Applicants’ SD). I do not think that the difference between COMPANYS and COMPANIES / COMPANY is *de minimis*. As

will be shown, there is a perceptible difference between COMPANYS and COMPANIES / COMPANY.

39 The “vintage principle” was applied in the *Kellogg Case* whereby a word which is phonetically equivalent to an unregistrable word is itself unregistrable. The “vintage principle” comes from the *Electrix Decision* and the *Kwik Kopy Decision*. As referred to above, the following passages are from the two decisions respectively and in that order:

*“... if a given word is for any reason unregistrable in its proper spelling, then, inasmuch as Trade Marks appeal to the ear as well as to the eye, the objection (whatever it may be) to the registration of the properly spelt word applies equally to a word which is merely its phonetic equivalent.”* and

*“It is well established that, if a word is for any reason unregistrable in its proper spelling, then, inasmuch as trade marks appeal to the ear as well as to the eye, the objection applies equally to a word which is merely its phonetic equivalent ... It is also well established that purely descriptive terms are totally unregistrable.”*

[Emphasis mine.]

40 I do not think there is a need for me to come to a conclusion as to whether the “vintage principle” is still good law today. I am mindful of the Registered Proprietors’ submissions that in enacting the Act, the approach towards the registration of marks is very different from that of the past. However, in the event that the “vintage principle” still applies, it can be distinguished in the current case as the visual aspect of the Registered Mark is more important than the aural aspect. I agree with the Registered Proprietors (paragraph 5 of the Registered Proprietors’ Reply to the Applicants’ Written Submissions) that given how the Services Claimed are traded, the average consumer is likely to encounter the Registered Mark in the form of writing, be it in the form of a letter head, shop front or advertisement. Thus in the instant case, the Registered Mark in question does **NOT** appeal as much to the ear in comparison to the eye. I also note the Registered Proprietors’ submissions in relation to the UK Work Manual (tab 6 of the Registered Proprietors’ Reply to the Applicants’ Written Submissions) where it states:

*“When considering applications which are in respect of words which are the phonetic equivalent of a descriptive or non – distinctive word(s), the appearance of the mark should be given weight. If the mark applied for is distinctive to the eye as a matter of first impression, then it cannot be said to be devoid of any distinctive character, at least where the goods or services are customarily selected by eye.”*

[Emphasis mine.]

41 The *Kopitiam Case* can be distinguished in this instance. In the *Kopitiam Case*, the Applicants’ mark consisting of in essence, the word “KOPITIAM” in a particular font (paragraph 1 of the Grounds of Decision) was in respect of Class 42 services namely,

*“Cafes, Cafeterias, canteens, provision of food and drinks; all included in Class 42”*. “Kopitiam” is a portmanteau word - a word which has been coined by “the telescoping of two dictionary (and generally descriptive) words.” “Kopitiam” is derived from the joining of the Malay word “*kopi*” which means “coffee” and “*tiam*” which means “shop” in the *Hokkien* dialect. The word “*kopitiam*” has long been accepted in Singapore’s multiracial multilingual society to mean a traditional coffee shop. Although English dictionaries such as the Oxford or the Collins Dictionary do not carry a definition of the term, it is pertinent to note that the word “*kopitiam*” can be found in the 4<sup>th</sup> and most recent edition of the Kamus Dewan, the authoritative Malay dictionary published by Malaysia’s Dewan Bahasa dan Pustaka. This Malay language dictionary is used in Singapore by the Malay community and students of the Malay language, and is one of the Singapore Ministry of Education’s approved Malay language dictionaries for use in schools. At page 822 of the said dictionary, it states that the entry “*kopitiam*” means “*kedai kopi*” (the Malay words “*kedai kopi*” mean “coffee shop”).

In view of the all the evidence, the PAR came to the conclusion that given the descriptive nature of the word “*kopitiam*” and how it is so commonly and generically used in the local parlance to mean an eating place or coffee shop which sells a variety of cooked food and beverages, the Applicants’ mark stripped of the evidence of use clearly lacks the capacity to distinguish.

42 Thus the objection under Section 7(1)(a) fails.

***Ground of invalidation under section 23(1) read with section 7(1)(b)***

43 Section 7(1)(b) reads:

*“7.—(1) The following shall not be registered:*

*...*

*(b) trade marks which are devoid of any distinctive character...”*

***Applicants’ submissions***

44 The Applicants submitted that the test to be applied when assessing whether a trade mark crosses the threshold of inherent distinctiveness under this Section is to ask whether “*it is the sort of sign which can do the job of distinguishing without first educating the public that it is a trade mark?*”

45 The Applicants submitted that a trade mark’s distinctiveness must be assessed by reference to:-

- (a) the goods or services in respect of which registration is sought; and
- (b) the perception of the relevant persons namely the consumers of the goods or services, who is reasonably well informed and reasonably observant and circumspect.

46 The Applicants submitted that where a trade mark consists of a single generic word and is devoid of any additional element which could be regarded as arbitrary, fanciful, imaginative or inventive and the trade mark is applied in respect of goods / services which have direct relation to the description of the mark, the mark then fails in its essential capacity of differentiating a trader's goods / services from those of another and is devoid of any distinctive character.

The Applicants referred to the case of *Procter & Gamble Company's Application (Complete)* [1999] ETMR 664 (OHIM Third BoA) which consisted of an application to register a single generic word mark COMPLETE in class 3 for "Soaps, perfumery, essential oils, cosmetics, hair lotions, dentifrices, oral and dental care preparations, preparations for cleaning, care and beautification of the skin, scalp and hair; deodorants for personal use." The said application was rejected under Article 7(1)(b) of the Community Trade Mark Regulations ("CTMR") (which is in *pari materia* with Section 7(1)(b) of the Act). One of the grounds of appeal was that the word COMPLETE was not customary in the *bona fide* and established practices of the trade for which it is intended, i.e. the commercialisation of products falling into Class 3 products such as dentifrices. Nevertheless, it was held by the Board of Appeal that:

*"The trade mark COMPLETE is formed by one single word "complete", with no additional element that could be regarded as arbitrary, fanciful, imaginative or inventive. It is a word commonly used in advertisements and with goods and, as such, does not have the capacity to communicate to the ordinary consumers that the goods with respect to which it would be used are those of the appellant. The word "complete" may, therefore, be used legitimately by all suppliers positioning or marketing their products. The trade mark COMPLETE is, therefore, not capable of distinguishing products claimed by the appellant from those of another undertaking and is devoid of distinctive character under Article 7(1)(b) of the CTMR."*

47 The Applicants submitted that COMPANY and COMPANIES are also commonly used by other traders in respect of Class 35 services such as advertising, business management, business administration, office functions, retail services e.t.c. all of which form the core activities / services commonly provided by companies. In support of this contention, the Applicants referred to Exhibit G of the Applicants' first SD where the registration details of many marks under Class 35 bearing COMPANY or COMPANIES are exhibited. The Applicants submitted that from the exhibits (including their own registration CTM No. 6417612), it is clear that COMPANY and COMPANIES are commonly used by traders for Class 35 services as a descriptive or generic word. The Applicants submitted that COMPANY and COMPANIES are obvious references to the particular business vehicle providing Class 35 services as such and thus cannot clearly distinguish one company's goods and services from those of another.

48 The Applicants submitted that the Registered Proprietors' assertion that COMPANYS is a "*highly unusual invented word which bears no direct reference to the*

*services claimed*” can be dismissed in that adding a letter “S” to the word “COMPANY” is hardly inventive. Further the Applicants referred again to the **Kellogg Case** that:-

*“a creatively misspelt word cannot be an “invented” one ...when it sounds like a word not registrable”.*

The Applicants submitted that unlike words like “Electrix”, “Kwik Kopy” and “Smax” whereby the misspelling is rather unusual, in this case the misspelling is a mere inclusion of the letter “S” to the word “COMPANY”. The Applicants referred again to their submission above that adding “S” to a singular noun is a common practice in the English language to denote the plural form and as such the Registered Mark cannot be regarded as an invented word.

49 The Applicants submitted that the misspelling of COMPANIES as COMPANYS is a common error committed by the average public. In support of this contention, the Applicants referred to searches conducted on popular internet search engines namely Google and Altavista for the word “COMPANYS” whereby a search tip to the effect of “Did you mean: companies” appears respectively (Exhibit E of the Applicants’ first SD and Exhibit K of the Applicants’ second SD). The Applicants submitted that the above are indicative that COMPANIES is often misspelled as COMPANYS by members of the public and that as such, such a misspelling is not unusual. Further, the Applicants also submitted that the fact that there are websites similarly displaying misspellings of COMPANIES as COMPANYS corroborates their submission that the misspelling is not uncommon.

50 The Applicants submitted that the fact that the Registered Mark contains no additional fanciful or imaginative element coupled with the fact that COMPANY / COMPANIES are commonly used by other trade mark proprietors in the same industry would lead to the conclusion that COMPANYS is not capable of differentiating a trader’s goods / services from those of another and is devoid of any distinctive character.

51 The Applicants also submitted that the fact that the Registered Proprietors sought to paint the use of COMPANY / COMPANIES by other traders in Class 35 as being purely descriptive (Paragraph 29 of the Registered Proprietors’ SD) as distinguished from the Registered Proprietors’ use of the Registered Mark which is inherently distinctive is clearly indicative that there is a need to educate the public first that COMPANYS is used by the Registered Proprietors as a trade mark (see the **Love Case**). This inevitably fails the threshold test for inherent distinctiveness as per the **British Sugar Case** (see above). The prevalent use of COMPANY / COMPANIES by other traders in Singapore for services falling under Class 35 (Exhibit G of the Applicants’ first SD) would have led to the significant erosion of the ability of COMPANYS to distinguish the services of the Registered Proprietors from those of the other traders.

52 The Applicants also highlighted that the Registered Proprietors’ name is “IC Companys A/S” and not “Companys” per se. In the Registered Proprietors’ Annual Report of 2007 / 2008 (“Annual Report”), the sign used by the Registered Proprietors (at

the footer of the Annual Report) is “IC Companys” not “Companys”. Further, the word “companys” as used in the Annual Report is not the plain word mark as per the Registered Mark but contains a stylized “O”. There is no evidence adduced by the Registered Proprietors to show the extent, if any, of any use of the Registered Mark in Singapore.

53 The Applicants submitted that it is the choice of a trade mark owner as to the degree of distinctive characteristics it wants to integrate into the design of its own trade mark and the extent of the risk it wants to take in relation to future challenges to its trade mark registration (again see the *Love Case*). Since the Registered Proprietors have decided on a rather low level of uniqueness in the design of the Registered Mark, it must correspondingly accept a higher risk of the registration of the Registered Mark being invalidated on the basis that it is “devoid of any distinctive character”.

54 The Applicants submitted that it is important to bear in mind that the continued registration of the Registered Mark would allow the Registered Proprietors to have a wide monopoly over a word which can subsequently be used by the Registered Proprietors to unjustifiably prevent the *bona fide* use of the words COMPANY / COMPANIES by other traders even in a descriptive context as well as the honest misspelling of COMPANIES as COMPANYS by traders (since such misspelling is common – see above).

55 The Applicants submitted that even though the “descriptive use” defence is available under Section 28(1) of the Act to exonerate third parties who use a mark in a descriptive manner, this should not result in a less rigorous assessment of inherent distinctiveness in considering Section 7(1)(b) as per *Nichols Plc’s Trade Mark Application [2003] RPC 16* (“*Nichols Case*”):-

*“The problem with saying “registration will not harm the public: if a third party wants to use the mark descriptively he has a defence” is this: that in the practical world powerful traders will naturally assert their rights even in marginal cases. By granting registration of a semi-descriptive or indeed a nearly-but-not-quite-completely descriptive mark one is placing a powerful weapon in powerful hands. Registration will require the public to look to its defences. With such words or phrases the line between trade mark and descriptive use is not always sharp. Moreover, it must not be forgotten that the monopoly extends to confusingly similar marks. In any marginal case defendants, SMEs particularly, are likely to back off when they receive a letter before action. It is cheaper and more certain to do that than stand and fight, even if in principle they have a defence.”*

[Emphasis by the Applicants]

56 The above was affirmed by the ECJ in *Nichols Plc v. Registrar of Trade Marks [2005] RPC 12* and this tribunal in the *Kopitiam Case* also held that the same argument (that Section 28(1) would afford a defence to other traders who use “kopitiam” in a

descriptive manner) was untenable as this would give the opponents (in that case) an unfair advantage and place an unnecessary burden on traders who want to legitimately use “kopitiam” in a descriptive manner which they would have a right but for its registration.

57 The Applicants alluded to the fact that the Registered Proprietors had previously sought to restrain the Applicants’ *bona fide* use of their  mark in Switzerland by filing for an interlocutory injunction on the basis of the Registered Mark. The Applicants submitted that the Registered Proprietors should similarly not be allowed the opportunity to rely on the Registered Mark to unfairly obstruct and prevent the use of generic words COMPANY / COMPANIES by traders in Singapore or even those who misspelt COMPANIES as COMPANYS especially in light of the lack of inherent distinctiveness of the Registered Mark.

58 In the premises, the Applicants submitted that the Registered Mark ought to be invalidated pursuant to Section 23(1) read with Section 7(1)(b).

#### ***Registered Proprietors’ submissions***

59 The Registered Proprietors similarly submitted that the often cited test for whether a mark is devoid of any distinctive character is that as enunciated in the ***British Sugar Case***:-

*“What does devoid of any distinctive character mean? I think the phrase requires consideration of the mark on its own, assuming no use. Is it the sort of word (or other sign) which cannot do the job of distinguishing without first educating the public that it is a trade mark?”*

The test was cited with approval in the ***Love Case***.

60 Chan J. in the ***Love Case*** expounded on the issue of inherent distinctiveness as follows:-

*“The object of the assessment for “inherent distinctiveness” in relation to ss 7(1)(b), 7(1)(c) and 7(1)(d) is to determine whether the trade mark has **intrinsic or inherent features or characteristics** that are sufficiently unique to enable the intended mark to **immediately function** (and not potentially function in the future through subsequent use by the promoter of the mark) as a readily obvious and reliable badge of origin in the eyes of the average discerning consumer when it is used in relation to the particular trader’s goods or services to differentiate that trader’s goods or services from those originating from other traders, who are operating in the same market place and environment in which that trade mark is supposed to function. If such intrinsic or inherent features or characteristics exist, then the trade mark escapes the objection to registration in ss 7(1)(b), 7(1)(c) and 7(1)(d) because it will then have an “inherent distinctive character”. I re-emphasise that the assessment is made by examining the trade mark and its*

*meaning (if any), absent any consideration of its use, promotion or marketing by the promoter of the trade mark, as will be reasonably perceived and understood at the relevant date by the average discerning consumer of that category of goods or services in the market place and environment that exists again as at the relevant date.”*

[Emphasis in the original.]

61 The Registered Proprietors submitted that the Registered Mark covers, in general, advertising services, business management and administration, office functions and the retailing of apparel, accessories and items of personal adornment. In respect of the advertising, business and office related services, the target consumers would be businesses. The Registered Proprietors submitted that the Registered Mark which has no specific reference to the services at issue will be taken immediately as a trade mark by these businesses.

62 The Registered Proprietors submitted that applying the *Love Case*, it is clear that the Registered Mark has “intrinsic or inherent features or characteristics” to enable it to “immediately function” as a badge of origin when used in conjunction with the Services Claimed:-

- (i) the Registered Mark is not a word with a dictionary definition. English is one of the four official languages in Singapore and is used very widely at all levels. Given the literate and educated nature of the average Singapore consumer, it is common knowledge that for nouns which end with the letters “NY” their plural versions are not obtained by merely tacking the letter “S” at the end. Rather, one would have to drop the letter “Y” and add “IES”. Hence the addition of the letter “S” at the end of COMPANY to comprise the Registered Mark is surprising and unusual such that people who encounter it will immediately recognize that it denotes trade origin since it is not a word with a dictionary meaning;
- (ii) Registration of the Registered Mark was obtained on a *prima facie* basis in Singapore. Clearly the Registrar was of the view that the mark is inherently distinctive of the Services Claimed;
- (iii) The Registered Mark was accepted for registration in the following countries also on a *prima facie* basis which goes to show that the registrars of those territories likewise took the same view that the mark is inherently distinctive (a) via International Registration No. 792497 - Hungary, Czech Republic, Switzerland, Russian Federation, Italy, Greece, France, Benelux, Austria, Latvia, Poland, United Kingdom, Ireland, Germany, Slovakia, Lithuania, Croatia, Ukraine, Spain, Norway, Sweden; and (b) via national registrations - Denmark, European Union, Saudi Arabia, Jordan;

- (iv) The parties are involved in invalidation proceedings in various countries around the world. The Registered Proprietors in paragraphs 9 and 10 of the Registered Proprietors' SD had highlighted that the Applicants' attack on the corresponding COMPANYS registrations in Ireland, Slovakia and the Czech Republic had been successfully repelled and the COMPANYS mark allowed to remain on the respective Registers. To these jurisdictions the Registered Proprietors now add the Office for Harmonisation in the Internal Market ("OHIM") as well.

63 The Registered Proprietors referred to the Ireland COMPANYS Decision where grounds similar to those underpinning the subject invalidation were raised. After the initial decision in favour of the Registered Proprietors was handed down, the hearing officer unfortunately passed away before the grounds of decision could be issued. In the interests of fairness, the matter was re-heard and again a decision in favour of the Registered Proprietors was reached. In relation to the relevant Irish sections which are in *pari materia* with Section 7(1)(b) and 7(1)(c) of the Act, it was held that:-

*"...the wording of the Act itself...preclude (sic) registration only in the case of marks that are devoid of **any** distinctive character or that consist **exclusively** of descriptive content. Even a modicum of distinctiveness is, therefore, apt to ensure registration on these grounds. The fact remains that a low level of distinctiveness is still enough to warrant registration."*

[Emphasis in the original.]

The Registered Proprietors submitted that the Registered Mark does have sufficient distinctiveness as to be registrable under Section 7(1)(b). The addition of the letter "S" to the word COMPANY is not descriptive of the services claimed and bestows on the Registered Mark a level of distinctiveness such that it is capable of distinguishing the Services Claimed from those of another trader.

64 The Registered Proprietors also referred to the Registered Proprietors' corresponding CTM registration (CTM No. 2126969) ("**OHIM COMPANYS Decision**"). The Cancellation Division acknowledged that Articles 7(1)(b) and 7(1)(c) (the equivalent of Section 7(1)(b) and (c) respectively) have a certain overlap and that the idea of distinctive character under Article 7(1)(b) "*must be assessed, first, by reference to the relevant goods and second, by reference to the perception of the relevant public*". The Cancellation Division went on to hold that:-

*"As stated above, the CTM is not descriptive as regards the goods and services within the meaning of Article 7(1)(c) CTMR. From this point of view, it is therefore in principle apt to be distinctive as such."*

65 In the premises, the Registered Proprietors submitted that the Registered Mark is not devoid of distinctive character and does not fall foul of Section 7(1)(b).

### **Decision**

66 Section 7(1)(b) states that “*trade marks which are devoid of any distinctive character*” shall not be registered. It is not in dispute between the parties that the often cited test for whether a mark is devoid of any distinctive character is that as enunciated in the ***British Sugar Case***:-

*“What does devoid of any distinctive character mean? I think the phrase requires consideration of the mark on its own, assuming no use. Is it the sort of word (or other sign) which cannot do the job of distinguishing without first educating the public that it is a trade mark?”*

[Emphasis mine.]

67 In the local context, the ***Love Case*** made pronouncements in relation to the applicability and interplay of Sections 7(1)(b) – (d). The ***Love Case*** has also been applied in the ***Societe des Produits Nestle SA v Nutricia International BV [2009] SGIPOS 6 (“Protect Decision”)*** by the PAR. The mark in question was PROTECT for, broadly, milk, foodstuffs and dietetic substances in Class 5.

68 At the outset, I would like to mention that the ***Love Case*** and the ***Protect Case*** can be distinguished on the facts (see below). However, the principles laid down in the cases above remain relevant to the current case since the exposition sets the stage as to the application of Section 7(1)(b) – (d) in the local context. As submitted by the Registered Proprietors:-

*“The object of the assessment for “inherent distinctiveness” in relation to ss 7(1)(b), 7(1)(c) and 7(1)(d) is to determine whether the trade mark has **intrinsic or inherent features or characteristics** that are sufficiently unique to enable the intended mark to **immediately function** as a readily obvious and reliable badge of origin in the eyes of the average discerning consumer when it is used in relation to the particular trader’s goods or services to differentiate that trader’s goods or services from those originating from other traders, who are operating in the same market place and environment in which that trade mark is supposed to function.”*

[Emphasis in the original.]

The Court then proceeded to quote the test as provided in the ***British Sugar Case*** (above).

69 In particular, as submitted by the Registered Proprietors at paragraph 13 of their written submissions, the ***Love Case*** made comments in relation to the interplay of Sections 7(1)(b) – (d) at [44] and [45]:

*“Broadly, the three sub-sections in ss 7(1)(b), 7(1)(c) and 7(1)(d) basically exclude from registration trade marks that are respectively non-distinctive, descriptive and generic **in any one aspect** of the characteristics of the goods or services. The test in s 7(1)(b) for being “devoid of any distinctive character” is akin to a sweep up “exclusion from registration clause” for trade marks that lack an inherent distinctive character. For instance, if the attributes of a trade mark taken as a whole are generic or descriptive, then it will not have any inherent distinctive character and will fail s 7(1)(b). If it is descriptive of any of the characteristics of the goods or services, again it has no inherent distinctive character and fails the test in s 7(1)(c). If it is customary in the language or in the established practices of the trade, again it has no inherent distinctive character and fails the test in s 7(1)(d).*

*Each absolute ground of invalidity for registration in s 7(1) of the TMA operates independently though the grounds may overlap. For instance, a ground of absence of inherent distinctive character in (b) can overlap with another ground of it being also descriptive under (c). A failure to overcome any ground of invalidity is, per se, sufficient to deny registration.”*

[Emphasis in bold in the original and emphasis as underlined mine.]

70 Both the ***Love Case*** and the ***Protect Case*** can be distinguished as follows:

(i) Firstly, as submitted by the Registered Proprietors, the marks in the two cases mentioned above consist of proper words “love” and “protect”. These two marks each consist of a “proper word” respectively in the sense that each word can be found in the English dictionary. In the current case however, the Registered Mark consists of “COMPANYS” and it is not a “proper word” - it cannot be found in the English dictionary.

(ii) Secondly, in each of the two cases, there was ample evidence of the fact that the notion of “love” and “protect” respectively was used “ubiquitously” in the relevant industry for promotion and / or description of the relevant goods in question. In the current case, the only evidence is that COMPANY or COMPANIES is used by traders as part of their trade marks in relation to Class 35 services (Exhibit G of the Applicants’ first SD refers). However, it is pertinent to note that the word that is used by the traders is COMPANY or COMPANIES and not COMPANYS.

71 In relation to the evidence with respect to Section 7(1)(b), the Court in the ***Love Case*** commented at [62] and [63] as follows:

*“I find that “love” is an ordinary word with well understood meanings... Based on the evidence produced by the plaintiff, it is quite clear to me that jewellers, even prior to the defendant’s registration of the simple “LOVE” mark, have been capitalising on the meaning of the emotive word “love” to name some of their special jewellery collections. They also embrace the word “love” in their*

*advertising slogans so as to enhance the attractiveness and marketability of their jewellery items to their existing and potential customers. From the overall survey of the use of the word “love” in the jewellery business, I see many jewellers coining names such as “Love Collection”, “Gracious Love Collection” and “Puppy Love Collection” for their special series of jewellery collections. Further, specific items of jewellery have not only been described as symbols of love by jewellers, in many instances jewellers have also actually incorporated the word “love” into the special names given to specific items of jewellery (eg, 18K Diamond Love Pendant, Circle of Love necklace, Love Rings, Ponte of Love ring, Love Generation Charm Bracelet, Revolving Rings of Love).*

*With such common adoption of the word “love” by so many jewelers to market, advertise, label and mark their jewellery, I find that the simple “LOVE” mark on its own does not have any distinctive character to differentiate the defendant’s goods, without first educating the public that it is being employed by the defendant as its trade mark to distinguish the defendant’s goods from those of other jewellers. Hence, the simple “LOVE” mark is devoid of any inherently distinctive character for jewellery.”*

[Emphasis mine.]

72 Similarly, in the **Protect Case**, the PAR noted that the word, “PROTECT” has well understood meanings (see [23]). There was also ample evidence as to the trade use of “protect” (and its variations, which can also be found in the dictionary) in the relevant industry (at [24]) for the PAR to conclude that given the extensive use of the notion of “protect” by other traders in the relevant industry, it is doubtful that the average discerning consumer will immediately identify the applicants (in that case) to be the source of milk, foodstuff and dietetic substances bearing the mark, “PROTECT”.

73 In the current case, as mentioned above, Registered Mark consists of COMPANYS, a non – dictionary word. The evidence provided by the Applicants, however, pertains to use of the words COMPANY or COMPANIES by traders in relation to Class 35 services (Exhibit G of the Applicants’ first SD). Further, even if COMPANYS can taken to be the identical to COMPANIES / COMPANY, I do not think that there is sufficient evidence to show the “ubiquitous” use of COMPANYS in the relevant industry to the extent that it would have led to the “significant erosion” of the ability of COMPANYS to distinguish the Services Claimed from that of the other traders.

74 English is commonly spoken in the local scene. In relation to the word “COMPANY”, I also agree with the Registered Proprietors that it is commonly understood that the plural version is not obtained by merely adding the letter “S” at the end but with the removal of “Y” and the addition of “IES”. In view of this, COMPANYS is not a common misspelling of COMPANIES. Instead, COMPANYS is a clear misspelling COMPANIES to the extent that the relevant consumers who are reasonably well informed and reasonably observant and circumspect would be able to perceive the difference between COMPANYS and COMPANIES. Thus the addition of “S” to

COMPANY would cause the Registered Mark as a whole to be perceptibly different from COMPANY or COMPANIES and provide sufficient inherent distinctive characteristic to the Registered Mark as a whole.

75 It is important to note that the Registered Mark is COMPANYS. A distinction between COMPANYS and COMPANIES / COMPANY could and should be drawn.

76 Further the evidence put forth by the Applicants is not sufficient to make out a case that COMPANYS is a common misspelling of COMPANIES. I refer to Exhibit E of the Applicants' first SD, Exhibit K of the Applicants' second SD and Exhibit J of the Applicants' second SD. In relation to the search tip provided by the search engines Google and Altavista, I am of the view that such is not sufficient evidence to prove that it is a common misspelling. It does show that it is a possible misspelling, however it is nowhere conclusive evidence that it is a common misspelling. In relation to the webpages wherein COMPANIES or COMPANY'S has been misspelled as COMPANYS, I agree with the Registered Proprietors' submission that it would appear that only a handful of the websites pertain to the Singapore market (3 out of 12 as per my last count). For the rest of the websites, they either pertain to other countries or that it is unclear as to whether they emanate from Singapore. While some of the countries have English spoken as a main language, this fact cannot be taken to be indicative of the local market place in which the Registered Mark will operate. It is important to bear in mind that the burden lies on the Applicants that show that the grounds for invalidation are made out. While I do not agree that the above evidence should be disregarded (as submitted Registered Proprietors), nevertheless it is insufficient evidence to show that COMPANYS is a common misspelling of COMPANIES in the local context.

77 Last but not least, I am also of the view that the "vintage principle" is not applicable to the current case (above).

78 In relation to the Applicants' comments with respect to the Registered Proprietors' Annual Report, there is the issue of use of the Registered Mark as registered. It is noted that on some of the Registered Proprietors' webpages, the Registered Mark ie COMPANYS is presented with a stylized "O" (Exhibit 1 of the Registered Proprietors' SD). While there appears to be some presentation of the Registered Mark with a stylized "O" such use does not pertain to Singapore. In fact, as pointed out by the Applicants, there is no evidence adduced by the Registered Proprietors to show the extent, if any, of any use of the Registered Mark in Singapore.

79 As to the Applicants' submission that even though the "descriptive use" defence is available under Section 28(1) of the Act to exonerate third parties who use a mark in a descriptive manner, that it should not result in a less rigorous assessment of inherent distinctiveness in considering Section 7(1)(b) as per the *Nichols Case*, in coming to my conclusion, I have not taken the availability of the defence in Section 28 into account. COMPANYS is not a dictionary word. It is not an ordinary word of the English language. It is also not a common misspelling of COMPANIES. Thus the defence is not applicable to the instance case.

80 In view of all the above, the ground of invalidation under Section 7(1)(b) is not made out.

***Ground of invalidation under section 23(1) read with section 7(1)(c)***

81 Section 7(1)(c) reads:-

“7.—(1) *The following shall not be registered:*

...

*(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services...*”

***Applicants’ submissions***

82 The Applicants submitted that a mark must be refused registration under Section 7(1)(c) if at least one of its possible meanings designates a characteristic of the goods or services concerned. It does not matter that there are other synonyms, other more usual signs or indications which can also serve to designate the same characteristic or other characteristics of the goods or services as Section 7(1)(c) does not prescribe that the mark under examination should be the only way of designating the particular characteristic in question. The characteristic of a particular good or service includes “*the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of the goods or of rendering of services*” as well as “*other characteristics of goods or services*”.

83 As per the ECJ in ***Koninklijke KPN Nederland NV v Benelux-Merkenbureau (Case C-363/99)***:-

***“It is also irrelevant whether the characteristics of the goods or services which may be the subject of the description are commercially essential or merely ancillary. The wording of Article 3 (1)(c) of the Directive does not draw any distinction by reference to the characteristics which may be designated by the signs or indications of which the mark consists. In fact, in the light of the public interest underlying the provision, any undertaking must be able freely to use such signs and indications to describe any characteristic whatsoever of its own goods, irrespective of how significant the characteristic may be commercially.”***

[Emphasis by the Applicants.]

Article 3(1)(c) of the European Trade Marks Directive is in *pari materia* with Section 7(1)(c).

84 The Applicants submitted that in the present case, the Registered Mark is descriptive in two ways.

First the Registered Mark or the term COMPANYS serves to indicate that the nature of the provider of the Services Claimed in that they are provided by a company or a group of companies. The Applicants submitted that “*advertising, business management, business administration and office functions*” are corporate services pertaining to the management, administration and operation of a company or companies and thus bear a direct reference to and are descriptive of the services. In relation to “*retail services*” and “*the bringing together, for the benefit of others, of a variety of goods (excluding the transport thereof), enabling customers to conveniently view and purchase those goods from a retail outlet*”, the Registered Mark or the term COMPANYS is referring to the various companies offering their products at the same point of sale that is, the Registered Proprietors’ retail outlets or outlets. The Applicants also referred to paragraph 3 of the Registered Proprietors’ first SD:-

***“The Respondents are a group of companies formed in 2001 by the merger of Carli Gry International A/S and InWear Group A/S.”***

[Emphasis by the Applicants.]

The Applicants submitted that the above statement is indicative that the Registered Mark or COMPANYS is a direct reference to and is descriptive of the Registered Proprietors’ business entities providing the Services Claimed and is as such unregistrable.

Secondly, the Registered Mark or COMPANYS could also be descriptive of the kind of services provided by the Registered Proprietors. The Applicants submitted that the descriptions “*business management; business administration; office functions*” could cover services such as:-

*“Company data information services; Company management (for others); Company monitoring; Company office secretarial services; Company record-keeping; Compilation of company information; Searches relating to company information”*

which are proper to Class 35.

The Applicants highlighted that the rationale behind Section 7(1)(c) is to prevent the registration of signs which are descriptive of the goods or some characteristic of them. These descriptive marks are excluded as they consist of signs or indications which honest traders either use or may wish to use without any improper motives.

85 The Applicants submitted that not only are COMPANY and COMPANIES descriptive in nature, the terms are also used by many traders in Class 35. The Applicants submitted that this is corroborated by the number of traders who have registered trade marks incorporating COMPANY or COMPANIES as a descriptive suffix in Class 35 (Exhibit G of the Applicants’ first SD). The Applicants drew particular

attention to Trade Mark No. T9914571Z which was registered also in Class 35. It is specifically stated that registration of the mark shall give no exclusive use of the word “COMPANY” thus indicating that “COMPANY” is a descriptive word and should not be monopolized. Thus, the Applicants submitted that it is only the unique design element comprising the hand device and the colour contrast that renders the mark non-descriptive and the monopoly conferred by registration is limited accordingly.

86 The Applicants submitted that in the current case, there is hardly any difference between COMPANY / COMPANIES and COMPANYS given that they are almost identical visually and virtually identical both aurally and conceptually (by reference to the plural form of COMPANY). By reason of the foregoing the Applicants submitted that the Registered Proprietors should be denied trade mark protection over the Registered Mark which merely consists of a plain descriptive word mark that is devoid of any additional decorative or design features.

87 The Applicants also referred again to the “vintage principle” from the *Kellogg Case* whereby a word which is phonetically equivalent to an unregistrable word is itself unregistrable. In the *Kellogg Case* it was held that “SMACKS” was not registrable as it lacked distinctive character following its direct reference to the character or quality of snack foods and likewise “SMAX” which was a phonetic equivalent of “SMACKS” was not registrable. The Applicants drew an analogy to that case and submitted that for the same reasons, COMPANY and COMPANIES are descriptive of the Services Claimed and thus COMPANYS being a phonetic equivalent of COMPANIES is similarly descriptive and should not be registrable.

88 The Applicants submitted that there is evidence of online printouts showing that many traders have misspelt “COMPANIES” as “COMPANYS” (Exhibit J of the Applicants’ second SD) which indicates that other honest traders are using or may wish to use the term COMPANYS without any improper motives. The Applicants reiterated their argument that such misspelling is common given that it is a usual practice in the English language to denote the plural form of a noun by adding “S” to the singular noun.

89 The Applicants reiterate their argument (above) that in addition to descriptive marks, even semi-descriptive or not quite but nearly descriptive marks should not be allowed registration as the monopoly granted may be abused to prevent *bona fide* descriptive use by third parties. The Applicants submitted that this is especially pertinent given that the Registered Proprietors have already demonstrated that they are ready to wield their trade mark monopoly in an attempt to obstruct the legitimate use by the Applicants of their  mark in Switzerland.

### ***Registered Proprietors’ submissions***

90 The Registered Proprietors referred to *Viacom International Inc v Gary Lee Ongkowitz* [2004] SGIPOS 9 that held:-

*“whether a mark is descriptive is a question of fact: does the mark **consist exclusively** of one of the relevant characteristics?...Kerly’s [13<sup>th</sup> Ed] also states that the Registrar should answer this question by taking into account the presumed expectation of the average consumer who is reasonably well informed and reasonably observant and circumspect.”*

[Emphasis by the Registered Proprietors.]

91 The Registered Proprietors also referred to the **Love Case** in relation to the “intended purpose” of the Services Claimed:-

*“the focus must be the purpose intended by the purchaser at the point of his purchase of the goods in question. Often the trader will want to promote his goods in a way that matches the “intended purpose” of the likely buyer of the goods at the point of sale. Traders often try to influence the thinking and buying behaviour of the customers through advertising and promotion of their products and their features. Traders often play a significant part in shaping the intentions of their customers for buying their goods and therefore, their customers’ intended purposes for the goods that they are purchasing.”*

In the **Love Case** the relevant mark is the plain word LOVE with no special font or device and the goods applied for were jewellery, precious stones and precious metals. Chan J. held that while Section 7(1)(c) make reference to “the” intended purpose of the goods, it is more acceptable and realistic to adopt the view that there are various purposes for a good or service except that in certain situations there may be an identifiable primary intended purpose for the good or service.

92 In relation to the term “other characteristic” in Section 7(1)(c) which would encompass the origin of the Services Claimed, the Registered Proprietors referred to **Protect Case** where the term was described by the Hearing Officer as a “catch all” term in the Section. The PAR held that *“as long as the word “protect” serves in trade to designate one of the “other characteristics” of the goods, the mark shall be refused registration.”* The mark in question was PROTECT for broadly, milk, foodstuffs and dietetic substances.

93 The Registered Proprietors submitted that based on the Applicants’ claim that the Registered Mark is descriptive as it is a commonly misspelled version of COMPANIES and simply indicates that the Services Claimed are provided for or by companies it would appear that the Applicants are arguing that the Registered Mark falls foul of Section 7(1)(c) on the basis that the Registered Mark consists exclusively of signs or indications which serve to designate the intended purpose of the Services Claimed or their origin.

94 The Registered Proprietors referred to **West (T/A Eastenders) v Fuller Smith & Turner PLC [2002] FSR 55** (“**West v Fuller Case**”) where Christopher Floyd QC, sitting as a Deputy Judge of the High Court analysed Sections 3(1)(b), (c) and (d) of the UK

Trade Marks Act 1994 (which is in *pari materia* with Section 7(1)(b), (c) and (d)) from which he distilled the following principles:-

*“(i) Sections 3(1)(b), (c) and (d) are not designed to exclude from registration marks which merely possess an indirect descriptive connotation: the words “devoid of any” in subsection (b) and “exclusively” in (c) and (d) are to be given effect to;*

*(ii) the fact that some mental activity is necessary in order to discern a reference to the quality or a characteristic of the goods may assist in its registrability;*

*(iii) uncertainty as to the precise nature of the reference to the quality or character of the goods will also assist;*

*(iv) marks which can only refer directly to the quality or character of the goods: (BITTER for beer would be such an example) must be refused registration. This is because such a mark does not “differ from the usual way of designating the goods or their characteristics” and because it may “serve in normal usage from a consumer’s point of view to designate either directly or by reference to one of their essential characteristics” (sic) the relevant goods.”*

This summation of the above principles was cited with approval by the Court of Appeal in [2003] EWCA Civ 48.

95 Thus the Registered Proprietors submitted that whether it is indeed common for COMPANIES to be misspelled as COMPANYS is irrelevant and misses the point. The Registered Mark does not consist exclusively of descriptive matter and is inherently distinctive of the Services Claimed since there is no sufficiently direct and specific relationship between the Registered Mark and the Services Claimed. Even if the word COMPANY is discernible within the mark, the word COMPANY has no direct reference to any characteristics of the Services Claimed. *A fortiori* the Registered Mark which has an additional letter “S” at the end has even less of a connection with the Services Claimed. The average Singapore consumer “who is reasonably well informed and reasonably observant and circumspect” is not likely to perceive the Registered Mark as being descriptive of any of the characteristics of the Services Claimed.

96 The Registered Proprietors referred to the **OHIM COMPANYS Decision**. The Decision of the Cancellation Division of OHIM in relation to the equivalent of Section 7(1)(c) is as follows:-

*“[23] The applicant argues that the goods and services are produced or rendered by companies or can be aimed at them. That is certainly true. **The essential question which arises in the present case, however, is whether the CTM is perceived by the relevant consumers as a sign designating such a characteristic of the goods and services.** Such descriptive character within the meaning of Article 7(1)(c) CTMR (equivalent to our Section 7(1)(c)) requires a **sufficiently***

*direct and specific relationship between the CTM and the goods and services in question.”*

“[24] *A sufficiently direct and specific relationship can arise for trade marks designating an entity when its field of activity is specified (see, for instance, decision of the Boards of Appeal of 22 April 2009 in case R 90/2009-1 The Upgrading Company; of 9 February 2007 in case R 697/2006-4 The Broadband Communications Company) In such a case, this specification can for instance imply that the entity possesses a certain expertise or know how in its field of business which is reflected in the nature or the quality of the goods or services themselves. **The term COMPANYS, however, does not convey any message in this respect.** The other refusals of trade mark applications consisting of such combined terms, as quoted by the applicant, therefore do not have any bearing in the present case.”*

[Emphasis by the Registered Proprietors.]

97 The Registered Proprietors also referred to the Ireland COMPANYS Decision (in addition to that expounded above) where the Hearing Officer stated, in relation to specifically Section 7(1)(c):-

“[17] *...It is clear to me that...marks, which contain the term “company” and an additional verbal element are deemed to lack distinctiveness only when the term combined with the additional element renders them so. All the examples referenced by the Applicant fall into this category...It follows therefore, that **marks, which contain the term “company” and an additional verbal element, can be afforded protection if the additional element is not considered descriptive and is capable of bestowing upon the mark a level of distinctiveness.**”*

“[18] *I am happy that the said Mark falls into the latter category and the **addition of the letter “S”, which makes it an invented word, gives it sufficient distinctiveness** to perform the essential function of identifying the ...services of the Holder and of distinguishing them from ...services that have a different commercial origin.”*

[Emphasis by the Registered Proprietors.]

98 The Registered Proprietors also referred to *Dart Industries Inc. v OHIM (Case T-360/00)* where the Court of First Instance considered whether the mark ULTRAPLUS for plastic ovenware breached Article 7(1)(c) (in *pari materia* with Section 7(1)(c)):-

“[27] *When an undertaking extols, indirectly and in an abstract manner, the excellence of its products by way of a sign such as ULTRAPLUS, yet without directly and immediately informing the consumer of one of the qualities or specific characteristics of the ovenware, it is a case of evocation and not designation for the purposes of Article 7(1)(c).*

[28] ...Such characteristics (that ULTRAPLUS designates the very good quality of the goods) are neither indicated nor singled out by the sign at issue and remain, where the public might imagine that they are alluded to, too vague and indeterminate to render that sign descriptive of the goods in question..."

The Court took the view that the mark did not breach Article 7(1)(c).

99 The Registered Proprietors submitted that as with the mark ULTRAPLUS for ovenware, the Registered Mark for the Services Claimed, even if it evokes the concept of a company or companies does not indicate or single out any characteristic of the Services Claimed and remains too vague and indeterminate to be considered descriptive.

100 The Registered Proprietors referred to decisions by the Registrar where marks have been found to constitute exclusively of descriptive signs or indications:-

(i) PROTECT for broadly, milk, foodstuffs and dietetic substances in the *PROTECT Decision*;

(ii) BREATHABLE for feminine sanitary products in the *Uni-Charm Case*;

(iii) GOLD for cereals and rice or flour based foodstuffs in *Societe des Produits Nestle SA v International Nutrition Co Ltd A/S [2005] SGIPOS 20*;

(iv) MAKES LIFE BETTER for various consumer electronics products in *Re an Application for a mark "MAKES LIFE Better" by Aki Habara Electric Corporation Pte Ltd [2004] SGIPOS 13*;

(v) BITTER for beer in the *West v Fuller Case*.

The Registered Proprietors submitted that applying the weight of the case law, the Registered Mark does not consist exclusively of descriptive matter as it conveys no message as to the services claimed. The addition of the letter "S" to "COMPANY" also confers on the mark as a whole sufficient distinctive character so as to clear the hurdle in Section 7(1)(c).

101 The Registered Proprietors submitted that in any event, the Applicants' evidence failed to substantiate their claim that to misspell "COMPANIES" as "COMPANYS" is a common error (paragraph 12 of the Applicants' First SD). Evidence purportedly in support of their claim was lodged under Exhibit E of the Applicants' first SD and Exhibits J and K of the Applicants' second SD. Under the said Exhibits, the Applicants have lodged printouts of searches for the term COMPANYS on the internet search engines, Google and Altavista. With respect to the Applicants' arguments that an automated tip "Did you mean: companies" appears whenever COMPANYS is input as a search term in these search engines, the Registered Proprietors submitted that just because search engines have been programmed to recognize that such a spelling error can

occur does not lead to the conclusion that it is common for such an error to be made. In any event, the Registered Proprietors submitted again that whether COMPANIES is commonly misspelled as COMPANYS is irrelevant. The fact remains that COMPANYS is distinctive of the Services Claimed. With respect to Exhibit J of the Applicants' second SD which relates to examples of websites wherein COMPANIES or COMPANY'S has been misspelled as COMPANYS, the Registered Proprietors submitted that most of the websites do not pertain to the Singapore market and should be disregarded as irrelevant. The Registered Proprietors submitted that taken in totality, the evidence lodged by the Applicants do not support the Applicants' conclusion that it is common for people to misspell COMPANIES as COMPANYS. The Registered Proprietors submitted that there are potentially millions of webpages which would contain references to a company or companies and the paucity of the Applicants' evidence in this respect is telling.

102 The Registered Proprietors concluded that the Registered Mark does not consist exclusively of indications descriptive of any characteristic of the Services Claimed and for the aforesaid reasons they submitted that the Registered Mark should not be invalidated on the basis of Section 7(1)(c).

#### ***Decision***

103 It is worth repeating Section 7(1)(c) at this juncture:

*“7.—(1) The following shall not be registered:*

*...*

*(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services...*”

104 The Applicants' case is that the Registered Mark is descriptive in the following ways:

- (i) that the Registered Mark serves to indicate the nature of the provider of the Services Claimed in that they are provided by a company or a group of companies. In relation to “*retail services*” and “*the bringing together, for the benefit of others, of a variety of goods (excluding the transport thereof), enabling customers to conveniently view and purchase those goods from a retail outlet*”, the Registered Mark or the term COMPANYS refers to the various companies offering their products at the same point of sale, that is, the Registered Proprietors' retail outlets or outlets;
- (ii) that the Registered Mark serves to designate the target audience of the following services “*Advertising; business management; business administration; office functions*”;

- (iii) that the Registered Mark bears a direct reference to and are descriptive of the Services Claimed since the services are of a corporate nature. This pertains to the part of the specification relating to “*Advertising; business management; business administration; office functions*”.

105 In addition to the above, the Registered Proprietors also submitted that the Registered Mark can be construed to be descriptive as to the intended purpose of the Services Claimed. In this regard, it is in relation to “*Advertising; business management; business administration; office functions*” part of the specification in that COMPANYS is a possible indication that the services above are intended for companies.

106 So the crucial question under this Section 7(1)(c) is this: Does it consist “exclusively of” signs or indications which may serve in trade to designate the kind, intended purpose or other characteristics of the Services Claimed in this instance? In this regard, the Registered Mark consists of the word COMPANYS.

107 I think not. This is because the Registered Mark consists of the word COMPANYS and not COMPANIES or COMPANY. So I am looking at COMPANYS and no more in deciding, “Does it consists of exclusively descriptive matter in relation to the Services Claimed? The answer is no. It is clear in the current case that while COMPANY / COMPANIES are dictionary words, COMPANY is not. With the addition of S to COMPANY, the Registered Mark does not describe / designate any specific character of the Services Claimed. At most it merely evokes the ideas including that of the Services Claimed are provided by companies for companies e.t.c.

108 Whether or not there is a perceptible difference between COMPANY / COMPANIES and COMPANYS must be seen from the view of a consumer of the relevant services in question. I am reminded that this consumer is “reasonably well informed and reasonably observant and circumspect. Would such a consumer see any perceptible difference? The relevant consumer in relation to “*Advertising; business management; business administration; office functions*” would be the corporate professionals and the relevant consumer in relation to “*retail services*” and “*the bringing together, for the benefit of others, of a variety of goods (excluding the transport thereof), enabling customers to conveniently view and purchase those goods from a retail outlet*” would be the general public. Such perceptible difference can only come about depending on whether there is a clear misspelling. The UK Work Manual at tab 6 of the Registered Proprietors’ Reply to the Applicants’ Written Submissions refers. I am of the view that a local consumer, whether he is a corporate professional or the general public, would perceive that the Registered Mark is clear misspelling of COMPANIES. In coming to this conclusion, I take note, as submitted by the Registered Proprietors, that English is commonly spoken in the local scene. In particular, in relation to the word “COMPANY”, it is commonly understood that the plural version is not obtained by merely adding the letter “S” at the end but with the removal of “Y” and the addition of “IES”.

109 I refer to my comments above that the evidence tendered by the Applicants are not sufficient to show that COMPANYS is a common misspelling of COMPANIES in the local context. I also refer to my above comments that in the event that the “vintage principle” still applies, it can be distinguished in the current case as the visual aspect of the Registered Mark is more important than the aural aspect. Finally, in relation to the Applicants’ arguments with respect a possible abuse of monopoly to prevent *bona fide* descriptive use by third parties, I also refer to my comments above in relation the same.

110 I am mindful of the *Love Case* and the *Protect Case*, local cases where objections were raised based to Section 7(1)(c). However, the two cases can be distinguished from the current case on grounds mentioned above. In relation to Section 7(1)(c), there were sufficient evidence in each case such that Section 7(1)(c) was made out.

In the *Love Case*, the Court commented at paragraph 81:-

*“On the question whether the expression or gift of love qualifies as a conventional, intended purpose of jewellery as submitted by the plaintiff, I believe that the plaintiff’s evidence is sufficient to dispose of this question in the affirmative. Even the defendant’s evidence shows this, as its other trade mark “the LOVE Diamond” is almost invariably used with the following catchy slogan beneath it: “the Ultimate Expression of Love”. This indicates to me that the defendant is constantly conveying to and reminding their customers (including the public at large) of the message that their LOVE Diamond is the ultimate expression of love. Accordingly, I find that the simple “LOVE” mark has been registered in breach of s 7(1)(c) of the TMA on the ground that it serves in the jewellery trade to designate one of the “intended purposes” of jewellery.”*

[Emphasis mine.]

The same can be said of the *Protect Case*, see [36] of the Grounds of Decision:-

*“What is the “intended purpose” of milk, foodstuff and dietetic substances from the perspective of the purchaser at the point of his purchase? Obviously, one primary “intended purpose” is sustenance and nutrition. In addition, from the evidence lodged, I can also see that the Applicants themselves and other traders have often drawn the consumers’ attention to the health protection element of these goods (be it through the protection of bodily functions or “protecting” the body from harmful effects such as cell damage, environmental harm, deficiencies e.t.c), such as through the ingredients or unique patented technology employed in the manufacturing of the goods or the preservation of certain substances therein (see my analysis of the evidence lodged in paragraph 24 above). The point is, traders use the idea that the goods have the capacity to “protect” the infant or child or person consuming it, as an important marketing and promotional tool. Through such promotion and advertisement, it is clear that traders have either been matching their goods to the “intended purpose” of the consumers when buying such goods or been influencing and shaping the intentions of their*

*customers. It is clear to me that when buying such goods, especially for infants or young children, one primary “intended purpose” from the perspective of the purchaser is the quality of the product in terms of its ability to “protect” the health of the infant or child consuming it. Thus, in relation to milk formula and food for infants and children, clearly the word, “PROTECT” designates the “intended purpose” of these goods. In relation to nutritional and dietetic food and supplements for medical use and clinical purposes, vitamins and minerals preparations, it is even clearer that the intended purpose for consuming such products is to “protect” the body and to enhance the health of the body..”.*

[Emphasis mine.]

111 In the current case, the Registered Mark, or COMPANYS, is not used by many traders in Class 35. The words which are often used are COMPANY and COMPANIES respectively, not COMPANYS. Exhibit G of the Applicants’ first SD refers.

112 In view all of the above, the ground of invalidation under Section 7(1)(c) fails.

***Ground of invalidation under section 23(1) read with section 7(1)(d)***

113 Section 7(1)(d) reads:-

*“7.—(1) The following shall not be registered:*

*...*

*(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade...”*

***Applicants’ submissions***

114 The Applicants submitted that the purpose of Section 7(1)(d) is to prevent the registration of those signs or indications which honest traders customarily use in trade, that is signs which are generic. The Applicants referred to ***Kerly’s***:-

***“The essence of the objection is that the sign is generic, with the primary focus usually being on the perception of the mark amongst consumers, although the perception in the trade may be important in certain circumstances. Each case will turn on its own facts and evidence.”***

***“From what the ECJ has said already: Art.3(1)(d)/7(1)(d) are in the public interest, to ensure that generic terms may be freely used by all. In some respects, this is a stronger public interest than that underlying Art.3(1)(c)/7(1)(c), because such generic terms must actually be in current use, as opposed to being capable of being used in the future. Alternatively, the public interest lies in the fact that marks caught by these provisions are not capable of functioning as trade marks***

***and therefore do not deserve to be protected .... Bearing in mind the primary role of 3(1)(d)/7(1)(d) are to prevent traders seeking to monopolise terms which are already generic, the fact of genericism can usually be demonstrated.”***

[Emphasis by the Applicants.]

115 The Applicants repeated their arguments that the Registered Mark in essence comprises of a generic English word which is used to refer to a single business entity or group of business entities:-

(i) the words COMPANY and COMPANIES are part of the English vocabulary and should not be monopolized by any trader;

(ii) the evidence adduced by the Applicants (Exhibit G of the Applicants’ first SD) shows that the words COMPANY and COMPANIES are commonly used by traders as a generic description in their business names, including the Applicants themselves which owns a CTM registration **CBR COMPANIES** comprising of the unique term CBR and the descriptive term COMPANIES; and

(iii) the misspelling of COMPANIES as COMPANYS is a common occurrence among the members of the public as well as the trade which is apparent from (a) the search tips provided by internet search engines when the term “COMPANYS” is entered (Exhibit E of the Applicants’ first SD and Exhibit K of the Applicants’ second SD); and (b) the evidence showing use of the term “COMPANYS” by many traders on the internet (Exhibit J of the Applicants’ second SD).

116 The Applicants submitted that the fact that there are many trade mark applications and registrations by third party proprietors in Class 35 incorporating the word COMPANY or COMPANIES in their trade marks demonstrates the generic nature of the terms and their inherent unregistrability due to their customary use in the English language and in the trade. The Applicants submitted that this is not surprising given that most entities in the modern business landscape utilize the corporate vehicle and both the public and traders have come to understand the word COMPANY and COMPANIES to refer to the business vehicle(s) adopted and not to any particular trade identifier of an individual trader. The Applicants submitted that adopting the principle in the ***Kellogg Case*** of phonetic equivalence, COMPANYS is likewise generic.

117 In view of the above, the Applicants submitted that the Registered Mark consists exclusively of a word which is customary in the current language as well as in the established practices of trade and on this basis as well as on the evidence submitted, the Registered Mark ought to be invalidated under Section 23(1) read with Section 7(1)(d).

***Registered Proprietors’ submissions***

118 The Registered Proprietors referred to the Court of Appeal in ***Wing Joo Loong***:-

*“there is little authority on what the phrase “customary in the current language or in the bona fide and established practices of the trade” in Section 7(1)(d) of the current TMA means”.*

The Court cited with approval the English decision of *Hormel Foods Corp v Antilles Landscape Investments NV* [2005] RPC 28 (“*Hormel*”) which in turn analysed the European decision of *Merz & Krell GmbH & Co* [2002] ETMR 21 (“*Merz*”). In *Merz*, the European Court took the view that Article 3(1)(d) (in *pari materia* with Section 7(1)(d)) was concerned with prohibiting registration on the sole condition that the mark had become customary and it was immaterial whether the mark was descriptive of the characteristics of the goods or services in question. The Court in *Wing Joo Loong* placed particular emphasis on the following analysis in *Hormel*:-

*“...the essence of the objection is that the sign is generic either amongst the general public or amongst the trade.”*

119 The Registered Proprietors submitted that the burden of showing that the Registered Mark has become “customary in the current language or on the *bona fide* and established practices of the trade” is not an easy one to discharge. *Kerly’s* has this to say:-

*“8-101 ...These provisions are directed at preventing registration of those signs or indications which honest traders customarily use in trade – signs which are generic.”*

*“8-102 ... The essence of the objection is that the sign is generic, with the primary focus usually being on the perception of the mark amongst consumers, although the perception in the trade may be important in certain circumstances. Each case will turn on its own facts and evidence. The challenge with these grounds is to compile a sufficiently convincing body of evidence.”*

[Emphasis by the Registered Proprietors.]

120 In addition, the Registered Proprietors submitted that Article 3(1)(d) of the European Trade Marks Directive and Article 7(1)(d) of the EC Council Regulation 40/94 (equivalent to Section 7(1)(d)) set a very high hurdle (see *Kerly’s*):-

*“8-113 ...Art.3(1)(d)/7(1)(d) are in the public interest, to ensure that generic terms may be freely used by all. In some respects, this is a stronger public interest than that underlying Art.3(1)(c)/7(1)(c), because such generic terms must actually be in current use, as opposed to being capable of being used in the future. Alternatively, the public interest lies in the fact that marks caught by these provisions are not capable of functioning as trade marks and therefore do not deserve to be protected. Expressing the underlying public interest in these terms serves to emphasise that these provisions set a high hurdle. Not only must the*

*mark consist exclusively of generic matter, but the fact of genericism must be established...*

121 The Registered Proprietors submitted that the requirement of customariness also has to be shown in respect of the relevant Singapore consumers. The Registered Proprietors referred to *West v Fuller Smith* where Floyd QC noted in relation to the evidence proffered by the plaintiff in the form of dictionaries or writings:-

*“Such specialist dictionaries and writing as were produced post-dated 1988, and most had a North American origin or connection. They do not throw light on the position in the United Kingdom in 1988.”*

Floyd QC’s holding that the evidence adduced by the plaintiff was insufficient to show that “E.S.B.” had become customary under the equivalent of Section 7(1)(d) at the relevant filing date of 1988 was upheld by the Court of Appeal.

122 The Registered Proprietors submitted that therefore the issue is whether the Applicants have successfully shown that the Registered Mark ie the word “COMPANYS” has become generic either amongst the Singapore general public or amongst the trade in Singapore in relation to the Services Claimed at the filing date of 4 September 2006 which the Applicants have failed to lodge any evidence to this effect and thus failed to make out Section 7(1)(d).

### ***Decision***

123 The Court in *Wing Joo Loong* commented in relation to this Section that there is little authority on what the phrase “*customary in the current language or in the bona fide and established practices of the trade*” means. Nevertheless, it would appear that the essence of the objection is that the sign is generic either amongst the general public or amongst the trade such that it is no longer capable of distinguishing the goods or services of different traders.

124 As to the burden of proof, the relevant paragraphs in *Kerly’s* as to what is required to make out a case under this Section 7(1)(d) are as follows:-

*“8-101 ...These provisions are directed at preventing registration of those signs or indications which honest traders customarily use in trade – signs which are generic.”*

*“8-102 ... The essence of the objection is that the sign is generic, with the primary focus usually being on the perception of the mark amongst consumers, although the perception in the trade may be important in certain circumstances. Each case will turn on its own facts and evidence. **The challenge with these grounds is to compile a sufficiently convincing body of evidence.**”*

“8-113 ...Art.3(1)(d)/7(1)(d) are in the public interest, to ensure that generic terms may be freely used by all. In some respects, this is a stronger public interest than that underlying Art.3(1)(c)/7(1)(c), because such generic terms must actually be in current use, as opposed to being capable of being used in the future. Alternatively, the public interest lies in the fact that marks caught by these provisions are not capable of functioning as trade marks and therefore do not deserve to be protected. **Expressing the underlying public interest in these terms serves to emphasise that these provisions set a high hurdle.** Not only must the mark consist exclusively of generic matter, but the fact of genericism must be established...Bearing in mind the primary role of 3(1)(d)/7(1)(d) are to prevent traders seeking to monopolise terms which are already generic, the fact of genericism can usually be demonstrated.”

[Emphasis mine.]

It is clear from the above that there is a need for “a sufficiently convincing body of evidence” and that the provision sets a high hurdle.

125 Further *Kerly’s* at [8-116] refers to the types of evidence useful to establish this ground and this includes evidence from dictionaries and the like. Indeed, the Court in the *Love Case* had this to say in finding that the simple “Love” mark had failed to breach Section 7(1)(d) at [88]:

“Whilst the use of the word ‘LOVE’ is very prevalent in the advertising and promotion practices of jewellery traders so that, even prior to the defendant’s registration of the simple “LOVE” mark there were already many traders promoting their wares using the word “love”, and despite taking into account all the evidence post-dating 19 April 1999, it is still an overstatement to claim that “love” is a generic term for jewellery or to assert that it has become customary usage. Some examples of words which have become customary are yo-yo, cellophane and aspirin, but “love” cannot be said to be anywhere near being customary usage in the jewellery trade by contrast. **A reference to any English dictionary will quickly indicate whether or not “love” has become a customary word in the current language or the established practices of the jewellery trade.** Even as of today, I do not believe that it has. Whether or not it will ever become customary usage in the jewellery trade in the future is uncertain and very much open to debate.”

[Emphasis mine.]

126 The words which are commonly utilized by traders in relation to Class 35 services are COMPANY and COMPANIES only. It is COMPANY / COMPANIES which can be found in the dictionary and not COMPANYS. It is important to bear in mind that the Registered Mark consists of COMPANYS and no more.

127 Further, COMPANYS is not a common misspelling of COMPANIES. As commented above, there is also insufficient evidence to come to such a conclusion in the present case such that COMPANYS is a clear misspelling of COMPANIES. There is thus a perceptible difference so that a consumer in the relevant industry, who is reasonably well informed, reasonably observant and circumspect would be able to perceive the difference. With respect to the “vintage principle” as referred to in the **Kellogg Case**, it has also been commented above that in light of the circumstances of the instance case, the principle would not seem to be applicable.

128 Bearing in mind that the provision sets a high hurdle and that there is a need for “a sufficiently convincing body of evidence”, I am hard pressed to conclude that Registered Mark which comprises of the word “COMPANYS” has become a generic term in the current language or in the *bona fide* and established practices of trade.

129 Thus the invalidation under this ground fails.

***Ground of invalidation under section 23(1) read with section 7(6)***

130 Section 7(6) reads:-

*“7.- (6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”*

***Applicants’ submissions***

131 The Applicants referred to **Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd [1999] RPC 367** (“**Gromax Case**”) where the concept of bad faith was formulated as follows:-

*“I shall not attempt to define bad faith in this context. Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area of trade being examined.”*

132 The Applicants also referred to **Harrison v Teton Valley Trading Co Ltd [2004] 1 WLR 2577** (“**Harrison Case**”), where the UK Court of Appeal also established that the applicable standard in determining bad faith is one that combines the objective (that the defendant’s conduct was dishonest by the ordinary standards of reasonable and honest people) and subjective (that the defendant himself realized that by those standards his conduct was dishonest) tests.

Further, Sir Aldous said:-

*“The words “bad faith” suggest a mental state. Clearly when considering the question of whether an application to register is made in bad faith all the circumstances will be relevant. However the court must decide whether the*

*knowledge of the applicant was such that his decision to apply for registration would be regarded as in bad faith by persons adopting proper standards.”*

The “combined test” has also been adopted by the High Court in ***Rothmans of Pall Mall Limited v Maycolson International Ltd*** [2006] 2 SLR(R) 551 (“*Rothmans*”) and affirmed in ***Wing Joo Loong***

133 The Applicants also referred to ***Weir Warman Ltd v Research & Development Pty Ltd*** [2007] 2 SLR(R) 1073 (“*Weir Warman*”) where VK Rajah JA opined:-

*“It would be fair to say that the term ‘bad faith’ embraces not only actual dishonesty but also dealings which would be considered as commercially unacceptable by reasonable and experienced persons in a particular trade, even though such dealings may otherwise involve ‘no breach of any duty, obligation, prohibition or requirement that is legally binding’ upon the registrant of the trade mark...”*

134 Further, the Applicants submitted that while the law requires bad faith to be determined as at the date of the application which would be 4 September 2006, the case of ***Ferrero SpA’s Trade Marks*** [2004] R.P.C. 29 (“*Ferrero Case*”) is also authority for the proposition that bad faith did not exclude from consideration matters which occurred *after* the date of application. Such matters may assist in determining the applicants’ state of mind at the date of application. The Applicants submitted that the principle in ***Ferrero’s Case*** was referred to and followed in the High Court case of ***PT Swakarya Indah Busana v Dhan International Exim Pte Ltd*** [2009] SGHC 280. The Applicants submitted that applying the principle to the current case, the Registered Proprietors’ conduct subsequent to the registration of the Registered Mark showed that it had no intention of using the Registered Mark in the form as registered.

135 The Applicants submitted that in light of the above, the application to register the Registered Mark was made in bad faith. The Registered Proprietors would have been aware that the Registered Mark was not registered in the style and design as used or intended to be used by them. A representation of the mark used by the Registered Proprietors is as follows:-

**COMPANYS**

The above mark has a stylized “O” which adds a material difference to the Registered Mark. The Applicants concluded that the Registered Proprietors in applying to register the Registered Mark which only consists of a plain word version of COMPANYS had not intended to use the Registered Mark as filed but instead were attempting to obtain a wider ambit of trade mark protection and monopoly than would otherwise be justified. The Applicants submitted that the Registered Proprietors in choosing to register a mark which is virtually identical to COMPANY and a misspelling and a phonetic equivalent of COMPANIES would or should have known that the Registered Mark closely

approximated two generic descriptive terms which are commonly used by other traders and hence have no right to claim a monopoly over the such a mark.

136 The Applicants submitted that in the circumstances, the conduct of the Registered Proprietors in applying for the registration of the Registered Mark in Singapore not only fell short of the normally accepted standards of commercial behaviour but that the Registered Proprietors would have themselves known that by those standards their conduct was dishonest.

137 The Applicants again referred to the interlocutory injunction application taken out by the Registered Proprietors against the Applicants to prevent the Applicants' use of their  mark as an example of the Registered Proprietors' willingness and readiness to wield their trade mark monopoly against their competitors. The Applicants submitted that although the said application was eventually refused by the Swiss Court, the normal business operations of the Applicants would have been unduly disrupted. Allowing the Registered Mark to continue subsisting on the Trade Marks Register would thus open up the possibility of various other potential infringement actions and / or interlocutory injunction applications being taken up by the Registered Proprietors in bad faith to unjustifiably restrain the honest use of COMPANY and COMPANIES by other third party trade mark proprietors.

138 For the reasons above, the Applicants submitted that the application to register the Registered Mark was made in bad faith and the registration of the Registered Mark should be invalidated under Section 23(1) read with Section 7(6) of the Act.

#### ***Registered Proprietors' submissions***

139 The Registered Proprietors referred to *Kerly's* at paragraph 8-280:-

*"...an allegation of bad faith is a serious one and, like an allegation of fraud, ought to be properly substantiated in a pleading and pleaded only where there exists prima facie evidence justifying the allegation."*

Similarly, the Registered Proprietors referred to the Court of Appeal case of *McDonald's Corp v Future Enterprises Pte Ltd* [2005] 1 SLR(R) 177 ("*McDonald's Case*") which cited the following from the case of *Royal Enfield Trade Marks* [2002] RPC 24 ("*Royal Enfield Case*") with approval:-

*"An allegation that a trade mark has been applied for in bad faith is a serious allegation...A plea of fraud should not lightly be made...and if made should be distinctly alleged and distinctly proved. It is not permissible to leave fraud to be inferred from the facts...In my judgment precisely the same considerations apply to an allegation of ... bad faith made under section 3(6). It should not be made unless it can be fully and properly pleaded and should not be upheld unless it is distinctly proved and this will rarely be possible by a process of inference."*

[Emphasis by the Registered Proprietors.]

The Registered Proprietors submitted that although the relevant section under consideration in the *McDonald's Case* was Section 12(1) of the Old Act, the Court's reasoning is equally applicable to Section 7(6) of the Act.

140 As submitted by the Applicants, the Registered Proprietors also referred to *Wing Joo Loong* where it cited the *Gromax Case* with approval and held:-

*“In a number of cases under the English Trade Marks Act, it has been suggested that conduct can be described as being in bad faith if it involves dishonesty or at least falls short of acceptable commercial behaviour in the particular trade concerned.”*

The Registered Proprietors, also submitted, as per the Applicants, that the Court in *Wing Joo Loong* also noted that the approach in the *Gromax Case* was likewise endorsed by Lai Siu Chiu J. in *Rothmans* and accepted by Rajah JA. in *Weir Warman*. In *Wing Joo Loong*, the Court proceeded to set out the test for bad faith from the *Harrison Case* ie the “combined test” which contains both a subjective element and an objective element. The Appointed Person in the UK Registry decision of *AJIT Weekly Trade Mark [2006] RPC 25* considered the Privy Council decision of *Barlow Clowes International Ltd v Eurotrust International Ltd [2005] UKPC 37* and the House of Lords decision in *Twinsectra Ltd v Yardley [2002] 2 AC 164* and also held that the test for bad faith consisted of the subjective and objective elements:-

*“The subjective element of the test means that the tribunal must ascertain what the defendant knew about the transaction or other matters in question. It must then be decided whether in the light of that knowledge, the defendant's conduct is dishonest judged by ordinary standards of honest people, the defendant's own standards of honesty being irrelevant to the determination of the objective element.”*

141 The Registered Proprietors submitted that from the cases above, the onus is thus on the Applicants to show that there has been “bad faith” on the part of the Registered Proprietors in that the Registered Proprietors' act of registering the Registered Mark is conduct which would have fallen short of the standards of acceptable commercial behaviour observed by reasonable and experienced merchants in the field of advertising services, business management and administration, office functions and retail. The Registered Proprietors submitted that the Applicants have not put forward any evidence to show bad faith at all other than bare claims in paragraphs 8 and 20 of the Application for Declaration of Invalidity and the Applicants' first SD respectively that the choice of the Registered Mark smacks of bad faith as the registration of the Registered Mark means that the Registered Proprietors would be able to prevent other traders from using COMPANY or COMPANIES in the course of trade.

142 The Registered Proprietors submitted that it is clear that the Registered Mark would not deprive other traders of the right to use the words COMPANY or COMPANIES in a descriptive manner. The Registered Proprietors reiterated their earlier submissions as to the differences between the Registered Mark which consists of a fanciful word “COMPANYS” versus COMPANY and COMPANIES.

143 The Registered Proprietors highlighted that the Registered Mark was accepted by the Registrar and permitted to be registered notwithstanding the wealth of marks incorporating COMPANY or COMPANIES in a descriptive sense already on the Register. The Registered Proprietors referred to Exhibit G of the Applicants’ first SD in this regard. The Registered Proprietors further submitted that notwithstanding the registration of the Registered Mark, many other marks containing COMPANY or COMPANIES used in descriptive manner filed since 4 September 2006 (the filing date of the Registered Mark) have also been accepted by the Registrar and permitted to proceed to registration. The Registered Proprietors referred to printouts from the Registry’s online database containing COMPANY or COMPANIES which were registered post 4 September 2006 at tab 32 of the Registered Proprietors’ Bundle of Authorities.

144 The Registered Proprietors submitted that the choice of the Registered Mark is completely *bona fide* and is not an attempt to prevent others from using the words COMPANY, COMPANY’S or COMPANIES in the course of trade. The Registered Proprietors concluded that in the current case, the Applicants have not discharged their burden to prove that the choice of the Registered Mark was made in bad faith and thus the ground of bad faith must be dismissed.

### ***Decision***

145 It is clear that the test for bad faith is a combined test which includes an objective and subjective element. The test is described in the ***Gromax Case*** which has been endorsed by the local courts:-

*“...Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area of trade being examined.”*

146 However an allegation of bad faith is a serious allegation and should not be lightly made, a point made in ***Kerly’s*** above and is worth repeating here:-

*“...an allegation of bad faith is a serious one and, like an allegation of fraud, ought to be properly substantiated in a pleading and pleaded only where there exists prima facie evidence justifying the allegation.”*

In particular, as per the ***Royal Enfield Case*** which was cited with approval in the ***McDonald’s Case***:-

*“An allegation that a trade mark has been applied for in bad faith is a serious allegation...A plea of fraud should not lightly be made...and if made should be distinctly alleged and distinctly proved. It is not permissible to leave fraud to be inferred from the facts...In my judgment precisely the same considerations apply to an allegation of ... bad faith made under section 3(6). It should not be made unless it can be fully and properly pleaded and should not be upheld unless it is distinctly proved and this will rarely be possible by a process of inference.”*

[Emphasis by mine.]

147 As at today, it would appear that there has been no use of the Registered Mark in Singapore. Thus while I note that **COMPANYS** is used on some of the webpages of the Registered Proprietors’ website, I do think that it is conclusive evidence that the Registered Proprietors have no intention to use the Registered Mark as registered in Singapore. While there are no specific requirements in relation to the time period to put the mark into actual use in Singapore, it is a general practice to take 5 years from the date of the completion of the registration procedure (in this case 5 years from 3 September 2007) as a gauge since Section 22 of the Act which relates to revocation due to non – use requires that there be a continuous period of 5 years of non – use from the date of completion of the registration procedure.

148 It is to be remembered an allegation of bad faith is a serious one and should not be made unless it can be fully and properly pleaded and should not be upheld unless it is distinctly proved and this will rarely be possible by a process of inference. It is not sufficient to claim that the Registered Proprietors choice of mark is made in bad faith merely on the basis that it is similar to the word COMPANIES.

149 As to the fact that the Registered Proprietors brought an application for interlocutory injunction against the Applicants in the Swiss Court, I do not think that that can be considered as conclusive evidence of bad faith. As pointed out by the Registered Proprietors, it is rather speculative to infer that the Registered Proprietors will bring about actions against other traders in Singapore on that basis. This is so even if I accept the Applicants’ submissions that the Registered Proprietors have commenced an infringement action in Switzerland.

150 Thus the ground of invalidation under Section 7(6) is not made out.

## **Conclusion**

151 Before I make the final conclusion in relation to the case, I note that the Registered Proprietors have successfully defended the Applicants’ invalidation proceedings in particular in the UK.

152 Having considered all the pleadings and evidence filed and the submissions made in writing and orally, the invalidation fails on Section 23 read with Section 7(1)(a) – (d) and Section 7(6). Accordingly, costs, to be taxed, if not agreed, are awarded to the Registered Proprietors.

Dated this 13<sup>th</sup> day of July 2010.

Sandy Widjaja  
Principal Assistant Registrar of Trade Marks  
Hearings & Mediation Division  
Intellectual Property Office of Singapore