

IN THE MATTER OF REGISTERED TRADE MARK NO T0720140E

IN THE NAME OF

SICHUAN SOFTBILL AUCTION CO., LTD

AND

APPLICATION FOR DECLARATION OF INVALIDITY THEREOF BY

SOTHEBY'S

Before Principal Assistant Registrar Sandy Widjaja

5 October 2010

Trade Marks – *Invalidation of registration – whether the application to register the Registered Mark was made in bad faith - Section 23(1) read with Section 7(6) of the Trade Marks Act (Cap. 332) 2005 Rev. Ed.*

Trade Marks – *Invalidation of registration – whether the Registered Mark is similar to an earlier trade mark and is registered for goods or services identical with or similar to those for which the earlier trade mark is protected - Section 23(3)(a)(i) read with Section 8(2)(b) of the Trade Marks Act (Cap. 332) 2005 Rev. Ed.*

Trade Marks – *Invalidation of registration – whether there is an earlier trade mark to which the registered mark or its essential part is identical or similar – Section 23(3)(a)(iii) read with Section 8(4) of the Trade Marks Act (Cap 332, 2005 Rev Ed)*

Trade Marks – *Invalidation of registration – whether the use of the registered mark would constitute passing off – Section 23(3)(b) read with Section 8(7)(a) of the Trade Marks Act (Cap. 332) 2005 Rev. Ed.*

Sichuan Softbill Auction Co., Ltd is the registered proprietor (“Registered Proprietors”) of the trade mark

苏富比

in relation to the following services in Class 35:

“Dissemination of advertising matter; television advertising; advertising agencies; public

relations; trade fairs (organization of-) for commercial or advertising purposes; business management of hotels; auctioneering; business management of performing artists; business services relating to tendering and bidding; advertising services, namely, planning of advertising campaigns for others." ("Services Claimed" and "Registered Mark " respectively).

Sotheby's, the applicants for invalidation, is an unlimited company incorporated under the laws of England and Wales and has a principal place of business at 34-35 New Bond Street, London, United Kingdom W1A 2AA ("Applicants").

In this instance, the Registered Proprietors did not file any Counter-Statement nor any evidence in support of their registration. Therefore, pursuant to Rule 59(2)(d) read with Rule 33(3) of the Trade Marks Rules (Cap 332, 2008 Rev Ed), the Registered Proprietors are deemed to admit "the facts alleged by the applicant in his application for...a declaration of invalidity of the registration."

The Applicants are the indirect subsidiary of a company incorporated under the laws of the State of Delaware, U.S.A., and a corporation listed on the New York Stock Exchange ("Sotheby's US"). Sotheby's US, the Applicants, their affiliated companies, including Sotheby's (Singapore) Pte Ltd. ("Sotheby's Singapore"), and the predecessors – in interest of all these companies are hereinafter collectively referred to as "the Sotheby's Group".

It is deposed in the Applicants' SD that the Sotheby's Group is the oldest and most famous auction house in the world with a history of more than 260 years. The Sotheby's Group specialises in auctions of over 70 categories of objects including fine art, antiques, decorative art, jewelry and wines. The Applicants deposed that since its foundation in 1744, the Sotheby's Group has evolved into a global company with operations in more than 40 countries around the world. The Applicants' evidence is that auctions conducted by the Sotheby's Group around the world have yielded impressive sales. In 1996, Sotheby's Singapore was incorporated. The Applicants also deposed that since at least as early as the 1990s the Sotheby's Group has used the Chinese characters "蘇富比" (traditional form) and "苏富比" (simplified form) pronounced as "Su Fu Bi" as the Chinese transliteration of the "Sotheby's" mark throughout the Asian region including in particular, Singapore, Hong Kong, Taiwan, and the People's Republic of China ("China").

The Applicants proceeded on Section 23 read with Sections 8(2)(b), 8(7)(a), 8(4)(a)(b)(i), 8(4)(a)(b)(ii) and 7(6).

Held, registered trade mark no. T0720140E is hereby declared invalid:

1. In relation to the ground of objection under Section 23 read with Section 8(2)(b), as at the relevant date of 11 October 2007 (date of application for registration for the Registered Mark) in view of the court action in China in July 2007, the Registered Proprietors would have been aware of the Applicants and the marks

"Sotheby's" and “苏富比” and the fact that the Applicants are contending the proprietorship of the marks "Sotheby's" as well as “苏富比” in relation to, in particular, auctioneering services. Thus the subjective element under the ground of bad faith is satisfied.

In relation to the objective requirement, the mark “苏富比” can be said to be rather distinctive in relation to the auctioneering industry. Yet, the Registered Proprietor chose to use ~~苏富比~~ which is almost *identical* to “苏富比” for the Services Claimed (which *includes* auctioneering services). Another important point is that the Registered Proprietors have not provided any explanation as to their derivation for the Registered Mark. In fact, the Registered Proprietors have not deemed it fit to even defend their case at all in this invalidation action. Thus, it would be a fair statement to make that reasonable and experienced persons in the auctioneering trade would consider use of the mark “苏富比” in relation to auctioneering services to be commercially unacceptable.

Thus the ground of objection under Section 7(6) in this invalidation action is made out.

2. At the outset, Counsel confirmed at the hearing, that the Applicants are only relying on the Applicants' Marks, that is, the Applicants' marks which are registered earlier with the Registrar for the purposes of an objection under this Section 8(2)(b). The Applicants are not relying on any of their unregistered Chinese character marks on the basis that they are earlier well-known marks.

Under the ground of objection, the marks are more dissimilar than similar since they are visually and aurally dissimilar and conceptually neutral. It is clear that the marks are visually different. In relation to aural similarity, the Chinese transliteration of the Registered Mark is "Su-Fu-Bi" while the Applicants' Marks consists of "So-the-by's". With the exception of the last syllable, that is "Bi" versus "By", the first and second syllables of the marks are different. Thus the marks are aurally different. With regard to conceptual similarity, while the 3 Chinese characters each respectively mean "to revive, wealth, compare", when viewed as whole, the 3 characters are meaningless. On the other hand, "Sothebys" on its own is meaningless. Two marks which mean the same thing can be taken to be similar in concept. However two marks which are meaningless cannot be taken to be conceptually similar. At most the marks can only be said to be conceptually neutral. On the whole, there is also insufficient evidence to show that the target audience is sufficiently bilingual in both English and Chinese to make a confusing connection between the Applicants' Marks "SOTHEBY'S" (in English) and the Registered Mark “苏富比” (in Chinese). Given that the marks are more dissimilar than similar and that there is insufficient evidence to make a finding in relation to the likelihood of confusion, the ground of objection under Section 8(2)(b) is not made out.

3. In relation to the ground of objection under Section 8(4)(a)(b)(i), it is clear from the definition of an "earlier trade mark" and a "well-known trade mark" that it includes unregistered trade marks. Therefore in this instance, the Applicants' Chinese character trade mark “蘇富比” / “苏富比” can be taken into account in addition to the Applicants' Marks. Taking into account of the evidence tendered, and the provisions of Sections 2(7) – (9), it can be said that the Applicants' Chinese character trade mark “蘇富比” / “苏富比” are well-known in Singapore. Thus “蘇富比” / “苏富比” is a well-known trade mark and can be considered as an earlier trade mark.

In relation to the Applicants' Marks, following the decision in relation to the ground of opposition under Section 8(2)(b), the first requirement is not made out in that the whole or an essential part of the Registered Mark is not identical or similar to the Applicants' Marks.

However, it is clear that the Applicants' Chinese character trade mark “蘇富比” / “苏富比” are essentially similar to the Registered Mark. The Registered Mark is almost identical or very similar to “蘇富比” / “苏富比”. It is also clear that there is an overlap between the Services Claimed and the services under “蘇富比” / “苏富比” namely, in relation to auctioneering services. Further, “蘇富比” / “苏富比” is rather distinctive in relation to the auctioneering industry. Thus, there is a risk that the public might think that the services come from the same source and thus use of the Registered Mark in relation to the Services Claimed would indicate a (confusing) connection between the Services Claimed and the Applicants. In addition, use of the Registered Mark in relation to the Services Claimed is likely to damage the interests of the Applicants in that there is actual or probable damage via blurring or tarnishment. Taking all of the above into account, in relation to “蘇富比” / “苏富比”, Section 8(4)(a)(b)(i) has been made out.

In relation to Section 8(4)(a)(b)(ii), while it can be concluded that the Applicants' Marks are well-known to the relevant sector of the public in Singapore and thus well-known in Singapore, the Applicants' Marks cannot be said to be well-known to the public at large in Singapore such that they are recognised by most sectors of the public in Singapore. Thus Section 8(4)(a)(b)(ii) is not made out in relation to the Applicants' Marks.

Section 8(4)(a)(b)(ii) is also not made out in relation to “蘇富比” / “苏富比”. While it can be said that “蘇富比” / “苏富比” is well known in Singapore by virtue of the fact that it is well-known to a particular sector of the public in Singapore, it can hardly be said that it is well-known to most sectors of the public in Singapore. Further, between the Applicants' Marks and “蘇富比” / “苏富比” it is clear that the Applicants' Marks have been in use for a far much longer period (and thus more reputable). If the Applicants' Marks cannot be said to be well-

known to most sectors of the public in Singapore, it is all the more so for “蘇富比” / “苏富比”.

4. While there is evidence of press releases of auctions conducted by the Sotheby's Group and sale results under the purview of "Sotheby's", there is no evidence of sales conducted under “蘇富比” / “苏富比” in the local context nor is there evidence of sales overseas which can be attributed to use of “蘇富比” / “苏富比” in the local context. Based on the evidence tendered, while there can be said to be goodwill in relation to "Sotheby's", the same cannot be said in relation to “蘇富比” / “苏富比”.

In relation to misrepresentation, following the conclusion above in relation to Section 8(2)(b), there can be no misrepresentation in relation to "Sotheby's". In relation to “蘇富比” / “苏富比”, as it is inconclusive as to whether there is goodwill, there is no need to look into this element. In conclusion, Section 8(7)(a) is not made out in relation to "Sotheby's" and “蘇富比” / “苏富比” respectively.

Provisions of legislation discussed:

Trade Marks Act (Cap. 332) 2005 Rev. Ed. Sections 8(2)(b), 8(7)(a), 8(4)(a)(b)(i), 8(4)(a)(b)(ii) and 7(6).

Cases referred to:

Valentino Globe BV v Pacific Rim Industries Inc [2010] SGCA 14
Gromax Plastics Ltd v Don & Low Nonwovens Ltd [1999] RPC 367
Demon Ale Trade Mark [2000] RPC 345
Harrison v Teton Valley Trading Co Ltd [2004] 1 WLR 2577
Rothmans of Pall Mall Ltd v Maycolson International Ltd [2006] 2 SLR(R) 551
Weir Warman Ltd v Research & Development Pty Ltd [2007] 2 SLR(R) 1073
Wing Joo Loong
Ajit Weekly Trade Mark [2006] RPC 25
Twinsectra Ltd v Yardley [2002] 2 A.C. 164
Barlow Clowes International Ltd v Eurotrust International Ltd [2006] 1 WLR 1476
Ferrero SpA's Trade Marks [2004] RPC 29
PT Swakarya Indah Busana v Dhan International Exim Pte Ltd [2009] SGHC 280
Royal Enfield Trade Marks [2002] RPC 508
Johnson & Johnson v Uni-Charm Kabushiki Kaisha (Uni-Charm Corp) [2007] 1 SLR(R) 1082
Sabel BV v Puma AG, Rudolf Dassler Sport, Case C-251/95 [1997] ECR I-6191
Sir Terence Conran v. Mean Fiddler Holdings [1997] FSR 856
The Polo/Lauren Co, LP v Shop-In Department Store Pte Ltd [2006] 2 SLR(R) 690
British Sugar plc v James Robertson & Sons Ltd [1996] RPC 281
The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd [2005] SGHC 175
Novelty Pte Ltd v Amanresorts Ltd and another [2009] SGCA 13

City Chain Stores (S) Pte Ltd v Louis Vuitton Malletier [2009] SGCA 53
Alteco Chemical Pte Ltd v Chong Yean Wah t/a Yamayo Stationery Manufacturer
[2000] 1 SLR 119
IRC v Muller & Co's Magarine Ltd [1901]AC 217

Representation:

Ms Teresa O'Connor (Infinitus Law Corporation) for the Applicant

The Registered Proprietors were not present at the hearing