

**IN THE MATTER OF TRADE MARK REGISTRATION NO. T0514132D
BY
SUBAIR SYSTEMS ASIA LIMITED**

AND

**INVALIDATION THEREOF BY
SUBAIR SYSTEMS, LLC**

Before the Principal Assistant Registrar, Ms See Tho Sok Yee

30 April 2010

Trade Marks – *Invalidation – whether the registration was obtained by misrepresentation – Section 23(4) of the Trade Marks Act (Cap 332, 2005 Rev Ed)*

Trade Marks – *Invalidation – whether the application to register was made in bad faith - Section 7(6) of the Trade Marks Act (Cap 332, 2005 Rev Ed)*

Trade Marks – *Invalidation – whether the Proprietor's use of the Registered Mark would constitute copyright infringement - Section 8(7)(b) of the Trade Marks Act (Cap 332, 2005 Rev Ed)*

Trade Marks – *Invalidation – whether the Proprietor's use of the Registered Mark would constitute passing off - Section 8(7)(a) of the Trade Marks Act (Cap 332, 2005 Rev Ed)*

Trade Marks – *Invalidation – whether there is an earlier well known mark to which the Registered Mark or its essential part is identical or similar - Section 8(4) of the Trade Marks Act (Cap 332, 2005 Rev Ed)*

The Registered Proprietors, SubAir Systems Asia Limited registered the trade mark “SubAir & device” (“the Registered Mark”) on 29 July 2005 in Class 7 in respect of “Portable soil aerating machines, air suction machines, drainage machines, and components and parts therefore” (*sic*). The Registered Mark comprises a green circular device with a stylised “S” and the word “SubAir” to its right.

The Applicants are a global leader and specialist in subsurface aeration technology, maintenance and promotion of the well being of greens and turf. They manufacture and provide goods and services for treating and maintaining greens and turf, particularly at golf courses and sports facilities.

In 2004, the Registered Proprietors approached the Applicants with a business proposition. The upshot of it was that the parties entered into a Sale and Licence Agreement (“the Agreement”) which took effect from 1 October 2004. The relationship later broke down such that the Registered Proprietors were no longer licensed by the Applicants.

The Agreement provided that "At no time during or after the term of this Agreement shall ...(*the Registered Proprietors*)... challenge or assist others in challenging the Technology or the registration thereof or attempt to register any Technology, including any trademarks, servicemarks, marks or trade names confusingly similar to the SubAir Marks."

Held, registration declared invalid:

- 1 The Applicants allege that the registration was obtained by misrepresentation. Under the Agreement, the Registered Proprietors were prohibited from registering the Registered Mark. Yet, they have impliedly misrepresented to the Registrar that they were entitled to register the Registered Mark by filing trade mark application T0514132D on 29 July 2005. As such, the Applicants succeed under Section 23(4) in this invalidation action.
- 2 The Applicants allege that the application to register the Registered Mark was made in bad faith. Clearly on the face of the Agreement, the Registered Proprietors did not have the right to register the Registered Mark and were only licensed to use the SubAir Marks (including the Registered Mark) in a specific, limited way. As such, the Registered Proprietors' act of applying to register the Registered Mark falls short of the standards of acceptable commercial behaviour observed by reasonable and experienced persons in the trade. They have acted in bad faith, and the ground of invalidation under Section 7(6) succeeds.
- 3 The Applicants claim that they own the copyright in the Registered Mark and use by the Registered Proprietors, except such as is in accordance with the Agreement during the subsistence of the Agreement, is prohibited / liable to be prevented by virtue of the law of copyright. The material time is at the application date of 29 July 2005. There is no evidence that at the material time, the Registered Proprietors applied the Registered Mark on goods that did not emanate from the Applicants. The Applicants' line of reasoning only applied after the application date, when the relationship broke down and the Registered Proprietors were no longer licensed by the Applicants. As such, the ground of invalidation under Section 8(7)(b) fails.
- 4 The Applicants claim that use by the Registered Proprietors, except such as is in accordance with the Agreement during the subsistence of the Agreement, is prohibited / liable to be prevented by virtue of the law of passing off. However, the Applicants' evidence was not sufficient to establish goodwill in Singapore specifically. Also, at the material date of 29 July 2005, when the Agreement still subsisted, the Registered Proprietors have not been shown to have used the Registered Mark other than as permitted under the Agreement. Thus, there is also no misrepresentation nor damage. The ground of invalidation under Section 8(7)(a) therefore fails.
- 5 To succeed under Section 8(4), the Applicants must first establish the existence of an "earlier trade mark", which includes a well known trade mark. The evidence, however, is not sufficient to establish that the Applicants' SubAir Marks were well known in Singapore on 29 July 2005. The ground of invalidation under Section 8(4) therefore fails.

Provisions of legislation discussed:

Trade Marks Act (Cap 332, 2005 Rev Ed) Sections 2(1), 2(7), 2(8), 23(4), 23(1) read with 7(6), 23(3)(b) read with 8(7)(a) and (b), 23(3)(a)(iii) read with 8(4), 23(10)

Trade Marks Rules (Cap 332, 2008 Rev Ed) Rule 59(2)(d) read with 33(3)

Copyright Act (Cap 63, 2006 Rev Ed) Sections 31(1) and 26(1)(b)

Cases referred to:

Weir Warman Ltd v Research & Development Pty Ltd [2007] 2 SLR(R) 1073

National Dairies Ltd v Xie Chun Trading Pte Ltd [1997] 2 SLR(R) 969

Yomeishu Seizo Co Ltd v Sinma Medical Products (S) Pte Ltd [1991] 1 SLR(R) 246

Valentino Globe BV v Pacific Rim Industries Inc [2010] SGCA 14

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

Reckitt & Colman Products Ltd v Borden Inc [1990] WLR 341

Representation:

Ms Tay Sock Kheng (Marks & Clerk Singapore LLP) for the Applicants (not in attendance)

Registered Proprietors unrepresented (not in attendance)